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UNITED STATES SHELL ORDERS FOR CANADA ARE NOW ASSURED: JAPAN TO HELP IN ATLANTIC

Important Conference Held at Ottawa — Imperial Munitions Board in Touch With United States Government and Army Heads.

FURTHER BRITISH ORDERS COMING ALSO

Urgent Need for Prompt Delivery of Immense Numbers of 75 Millimetre Shells for American Army Means Abundant Munition Contracts for All Ready Prepared Canadian Plants—Ship Machinery Also— Announcement Coming That Jap Ships Will Sail in Atlantic.

THE FINANCIAL POST is in a position to confirm the announcement forecast last week that orders for shells to the value of $50,000,000 for the United States Government are being placed in Canada. As then indicated the orders will be placed by the Imperial Munitions Board acting for and in conjunction with the United States Government and Army Department officials concerned. Plants are being prepared for the work, managers of munitions factories are in touch with New York and Washington—some having gone to these cities to conduct negotiations in person—and a conference has been held at Ottawa between the Imperial Munitions Board and Canadian shell manufacturers.

While the first rough estimate of the United States shell orders expected runs to $50,000,000, it grows more and more evident that the extent of this new munitions business in Canada will reach a tremendously higher figure. That it may go as far as even half a billion dollars' worth is being more than merely hinted at at present. Millions of shells will certainly be manufactured or have their principal parts completed and assembled in Canada. Estimates made for the Montreal district alone run to twelve millions of shells, and there will be as many in the Toronto and Western centres.

Orders for thirty-three million 75-millimetre shells were ready for placing by the United States authorities, and munitions men of the United States could find capacity within U.S. borders for the manufacture of only 11,500,000 of these. Deliveries were to be completed by October 1st, 1918, and immediately the possibilities of Canada for manufacturing this size of shell were considered. The United States Government's preliminary requirements in shells are 50,000,000, and only part of the orders have been placed as yet. There is plenty of plant in Canada for the production of 75-millimetre shells, only a short time being required to adapt existing plants which have been up till recently doing British Government work for the Imperial Munitions Board. In other directions also Canadian munitions and machine construction plants may be utilized by the United States.

Materials From the States.

Supplies of the materials for the making of the shells most immediately required will be sent into Canada from the United States. It is probable that the materials will arrive in Canadian munition men's hands in shape for forging and finishing, and it is believed that a sum of about $2 per shell will be the price fixed for the 75-mm. size high explosive. This allows for the additional cost of making these shells as compared with the shells Canada has been making of late for the Imperial Munitions Board, and orders for which had recently been considerably reduced.

In connection with this British shell output in Canada a further factor of interest is that the Imperial Munitions Board has intimated to a number of plants a willingness to duplicate the previous orders for smaller shells that had been shut off entirely. Further, there is a likelihood that there will be a revival of orders for fuses in Canada. This was one of the main features of munitions business in Canada until a year or so ago. These fuse orders were transfered to the United States through the difficulty in arranging for credit in Canada, and as a return for U.S. loans to Great Britain. It was not expected by Canadian manufacturers that this business would come back, and one firm, which had disposed of plant for this class of work, was unable to accept the new order offered. Another concern, more fortunate, expects to be turning out 10,000 fuses a week under contract before very long.

Lord Northcliffe Instrumental.

Information from Washington received as we go to press indicates that Lord Northcliffe was instrumental in furthering the negotiations for the placing of shell orders for the United States Government in Canada. Lloyd Harris, who has been appointed to represent the Munitions Board in the United States, was also closely identified with the proposition. H. J. Fuller, president of the Canadian Fairbanks-Morse Co., is also undertaking official duties of importance in connection with this matter of the making of munitions for the States in Canada.

Time Extremely Important.

A matter of extreme importance in the turning out of these shells for the American Government is production on time. The report of the manager of a company that has been in close touch with Washington thus sums up the situation for the average Canadian plant: "The Canadian manufacturer can get all the 3-inch high explosive shell orders from the United States that he can undertake; they will insist on deliveries right to the day; and the only basis for orders will be past performances."

Another munitions manufacturer who visited Washington in connection with this matter says that the Washington authorities told him that they would put the Canadian orders on a fair business basis. He adds: "They stated that they would certainly favorably consider a Canadian firm who had a plant already equipped before placing an order with an American or any other firm who were not equipped."

A wire from Washington to THE FINANCIAL POST on Friday says: "American firms insist on delivery guaranteed, and think Canadian Government or Imperial Munitions Board should be responsible for fulfilment of contracts on time."

This indicates the great importance of the factor of time in connection with this whole extensive business, and really explains why the shell contract are coming to Canada. Uncle Sam needs the munitions, and needs them mighty quick. His own plants for making them are running to capacity. Canada can help, and is to help.

Ship Machinery and Engines Also.

It becomes more and more evident that not only will Canadian manufacturers of munitions have United States contracts to fill, but all Canadian plants which can be used to turn out ship deck machinery, marine engines, and auxiliary equipment will probably be called upon also, and to capacity. Canadian firms capable of carrying out contracts on such lines should set about securing details in those lines which they are in a position to furnish.

Aid From Japan Secured.

An important result has developed from the present visit of the Japanese Commission to Washington. A closer entente is being established. An official announcement is expected in Washington shortly to the effect that four hundred thousand tons of Japanese shipping will be transferred at once to the Atlantic. These ships will sail under the Japanese flag, but will be under U.S. Shipping Board direction and charter.

A further evidence of team-work between the United States and Japan in shipping matters will be found in the lifting of the embargo on steel to Japan in so far as it is required there for shipbuilding purposes, Japan agreeing to use the steel only for the construction of ships to operate in the Atlantic as long as the war continues.

LICENSING FOOD PACKERS.

Committee Appointed To Deal With Applications to Mr. Hanna.

The question of the personnel of the committee that the Food Controller promised to appoint to consider the case of those companies asking for license to market their goods in packages, despite the provisions of the recent order-in-council forbidding their use, has been a matter of intense interest in trade circles.

Mr. Hanna advises THE FINANCIAL POST that the members of this committee are Professor Harcourt, of the Ontario Agricultural College; P. B. Tustin, Chief of the Food and Dairy Division, Winnipeg; and W. S. Lecky of the War Purchasing Commission, Ottawa.

STRONG DEMAND FOR MATERIALS AFTER THE WAR

Steel Authority Speaks Regarding the Outlook of the Future.

OUR BALANCE OF TRADE

Commercial Position of Canada is Improving Daily—People Benefiting From Expenditures on Munitions Orders.

By MARK WORKMAN,
President Dominion Steel Corporation.

In considering the future of Canadian economic conditions, there is one underlying feature which must not be overlooked. I refer to the overwhelming balance of trade in favor of this country. Month by month this balance is accumulating, with the result that Canada's commercial position among the nations of the world is improving daily. An immense sum of money is being disbursed in Canada for munitions and other war supplies, the major portion of which finds its way into the pockets of our own people, and is available for financing of additional orders.

No clearer evidence of our prosperity can be given than the fact that Canada, a country of barely seven million people, has already raised over three hundred millions of dollars for war purposes, and is now planning to float a further large loan, with every expectation of complete success. Practically all branches of industry are in a highly flourishing condition, and the majority of our corporations are being enabled to place themselves in a strong financial position. The result of this condition will become more evident upon the resumption of normal business.

While one feels some reluctance in attempting to forecast conditions which may prevail after the war, it is evident that the depletion of stocks and the neglect of all but absolutely necessary maintenance and renewal expenditures since the outbreak of the war, brought about by the abnormal prices of materials and costs of labor, will eventually culminate in a strong demand for materials of all kinds. While we must expect a period of adjustment of prices upon the termination of the war, we cannot help but feel that this demand will assert itself with very little delay.

U.S. STEEL ORDERS.

Another Material Falling Off for October.

The indication is that the unfilled orders on the books of the subsidiary companies of the United States Steel Corporation in October again fell off between 500,000 and 600,000 tons. The corporation made a slight gain in both output and shipments of rolled steel products as compared with September, but the improvement fell far short of expectations. At the beginning of the month the output of ingots was close to 95 per cent. of capacity, but there was a steady decline during subsequent weeks instead of the gain which is usually experienced in October. The average operations were approximately 92 per cent. of total capacity, indicating an output of about 1,675,000 tons of ingots and 1,256,000 tons of rolled steel products. Shipments are estimated to have been 1,200.000 tons in round numbers, being 50,000 tons greater than in September.

RAISE A PIG IS THE SLOGAN IN PRODUCTION

Potato Shortage is Developing in United States and Canada.

U.S. CORN CROP TO MOVE

Eastern Threshing Delayed—Plowing Has Been Neglected—Livestock Go to Stables Earlier—Big Prices for Stock.

By F. M. CHAPMAN,
Editor, "The Farmer's Magazine."

Conferences between Government officials, some selected farmers, and the Food Controller's staff have been held in the provinces and at Ottawa during the past few days, to launch a campaign for bacon production. This is being followed up by advertisements in the farm papers, together with statements from Hon. Mr. Hanna that the overseas situation demands all we can produce, that the farmers will be protected in their feed purchases, and that packing house profits will be regulated.

The latter assurances are made to bolster up the faith of the farmers in the proposition, seeing that the guaranteeing of a minimum price covering two years has not been done. Doubtless the production of hogs will be increased, though by no means to the extent that it would have been had the price been fixed to the farmer in much the same manner as munitions were secured. The recent drop in prices will do more to send young sows to the shambles than all the advice tendered. The farmers outside the range of the Food Controller's estimates of prominent men do not see nor respond to enthusiasm as do the inside men. Much energy would have been saved by a quick decisive price guarantee. The United States is carrying on a campaign under the slogan "Raise a Pig."

The Crop Situation.

The crop situation has some interesting sides to it as November opens. Threshing operations in the East have been slow, owing to shortage of labor, weather, late harvests, and silo filling. Consequently threshing will continue to December; and this carries with it a neglect of plowing. Reports from all over Ontario and the East show a less acreage prepared for 1918 crops. E. C. Drury, of Simcoe, maintains that the preparedness for 1918 crops as compared with the fall of 1916 is only 50 per cent. as favorable. Fall wheat has not secured the top necessary to withstand an open winter very well. Clover seed crops were lost in many cases owing to wet weather and the prices for all seeds will likely advance.

Cold weather in October has sent the livestock to the stables sooner than usual. This cuts into the feed supplies. Hay is advancing in price, while the ensilage is not as good as usual owing to frost.

The apple crop is short in Ontario. High prices prevail for all winter fruit. Nova Scotia apples are being conserved in large quantities in Ontario, while Western Canada is absorbing the B. C. crop, which is good.

A Potato Shortage.

The price of potatoes is advancing. Rot has set in in Eastern Ontario and New Brunswick, while the frost has about closed the transportation from the West, where the crop has been caught in the ground with freezing weather in many cases.

The United States crop report issued yesterday shows a further decrease of over 13,000,000 bushels from the October estimate, which was nearly nine millions below September report. Private advices say that the United States will be short of seed potatoes next year and will look to Canada for considerable supplies. The Ontario Government's action in getting growers to recommend the growing of one variety largely is favorably commented on everywhere.

The corn crop of the United States is cheering to Canadian feeders. They have more than 66,000,000 bushels above their former largest crop, with 3,191,033,000 bushels. Yet this is a shrinkage of nearly 20 million bushels from the October forecast.

Preliminary estimates of farm crops in the United States November crop report are as follows:—Corn, 3,191,083,000, compared with 2,583,241,000 in 1916. Buckwheat—16,813,000, compared with 11,840,000 last year. Potatoes—439,686,000, compared with 285,437,000 last year.

Livestock Prices.

Livestock prices are quite satisfactory to agriculture. Recent sheep sales in Calgary and Brandon show as high as $29 averages for common ewes and a $75 average for pure-bred sows. Cattle prices at the leading livestock yards of Canada are being maintained well. Farmers in all the provinces are in first-class financial condition, and if labor conditions can be improved and the boys on the farm not permitted to enlist, the outlook for 1918 will be quite satisfactory.

NEW WAR ORDERS SHOULD SUSTAIN CANADA'S TRADE

Business Being Placed a Direct Factor in General Prosperity.

WAR LOAN AN INFLUENCE

Raising of Funds Will Mean Further Credits for British War Orders—More Supplies for New Canadian Army.

Current events are having an important and direct bearing upon the business situation of the present and the outlook for the future. Outstanding in its direct effect is the further announcement made by THE FINANCIAL POST this week regarding shell orders from the United States. This announcement not only bears out the forecast of last week, but gives details of the business being placed. From information gathered from different sources it would appear that Canadian manufacturers are to have all the orders for certain shells which they can handle, for the time being at least, and the possibilities are that the total volume of business will eventually run many times the $50,000,000 which is estimated for the orders now in sight.

The effect of this business upon conditions in Canada will be very beneficial. Not only does it mean a new lease of life for many of the munitions plants which were closed down, but the fact that the money for the production will be coming into the country will be of greater benefit to the country's financial position than the orders from Great Britain which are being handled on credit.

Further it is more than possible that the shell orders, which are being accompanied by inquiries for shipbuilding supplies and ship equipment, will be followed by other orders for more general supplies. Already there has been business in certain textile lines and this may be extended as the number of men under arms increases. An evidence of the effect on business of calling men to the colors is also seen in Canada in the fact that inquiries are being made regarding the purchase of large quantities of footwear for the men being called out under the Conscription Act.

The War Loan.

The Dominion War Loan is also an important factor in the business situation. Its success is generally assured, but the extent to which the amount is oversubscribed will undoubtedly have its effect upon the credit position of Canada and her ability to handle business from Great Britain and the other Allies which must be accepted on deferred payment basis. Canadians owe it to themselves as a matter of loyalty and as a matter of business to subscribe largely to the loan. The money will all be spent in Canada. Not only will it mean another lease of life in many lines of industry but it will permit those supplies going to the Allies of which they stand so much in need.

Altogether, with the prospects of a successful flotation of the war loan, and renewed war orders from various sources, together with high prices for agricultural products, the outlook is for a continued period of reasonable prosperity although there is an increasing realisation of the fact that the war is a very serious issue and that if we are to play our part in it there must be a conservation of financial resources on a scale much different from that which has been generally observed. There is no need for hoarding, but extravagance should be reduced to the minimum.

OPPOSITION TO RATE INCREASE DYING IN U.S.

The Packing Interests Have Now Withdrawn Their Objections.

MAY BE MORE THAN 15%

Now That Nation is in the War, Attitude is Strengthening That Railroads Should be Allowed to Play Full Part.

Special to The Financial Post

WASHINGTON.—The case of the American railroads in regard to their application for an increase in freight rates has been re-opened at Washington. The hearing had not proceeded far when it was evident that there had been a marked change in the attitude of the shippers and the Interstate Commerce Commission since the inquiry last spring. In fact opposition to the railroads' demands practically disappeared when, after the presentation of the case for the carriers by such authorities as Smith of the New York Central Lines and Rea of the Pennsylvania System, counsel for the Chicago packers, Interior Iowa packers and the 500 members of the Meat Packers' Association declared that they would have no objection to the same rate of increase on their products as on other commodities. The packing house opposition had been regarded as the most serious likely to be offered. However, the representatives of the midwest cattle raisers, elevator men, and petroleum producers served notice that they would continue to die in the last ditch.

As the result of the present hearing it is considered certain that the Interstate Commerce commission will round out the 15 per cent. increase in rates. However, this will not be enough. So rapid has been the increase in operating costs that the railroads will still have additional reuirements to make their full strength effective in winning the war. There will probably be in addition a demand for emergency relief for the duration of the war with the understanding that it will terminate when the war ceases. It is believed that the Commission will recognise that some steps must be taken to increase the revenue to insure the efficient service required.

Failure of the railroads to maintain their properties against the wear and tear of an unprecedented weight of traffic, not only because of the insufficiency of their revenues, but partly because of their inability to obtain a full quota of labor and materials, is playing a large part in the reopened case, as it has already played a part in establishing the lowest level of railroad stock prices in a generation. Although the railroads as a whole have spent about 10% more on maintenance so far this year than in the same portion of 1916, they have not begun to do the same amount of work on the properties, actual cost having risen 30% to 50%.

For eight months to the end of August, gross revenues, maintenance expenditures, and transportation expenses, have shown the following increases over eight months of 1916:

	Amount	%
Gross revenues	$285,000,000	12.3
All maintenance	70,050,000	10.4
Transportation exp. ..	209,000,000	27.4

Thus maintenance expenditures have not advanced in proportion to the increase in revenues alone. Worse than that, they have been augmented in less than half, hardly more than a third, of the proportionate increase in transportation expenses; that is, the expense of handling the freight, manning and fueling trains, operating terminals, stations, and signals, meeting damage claims, and the like.

Rea, of Pennsylvania.

Samuel Rea, president of the Pennsylvania Railroad system, in opening the case before the Interstate Commerce Commission, said:

"We cannot afford to make any mistakes."

"It is not a time for panic, but neither is it a time for disregarding the facts of increasing expenses, of diminishing net operating income, of deferred maintenance, of lack of present facilities, and inability to provide future ones."

Mr. Rea thus summarized the salient factors which are rendering increasingly difficult the task of providing adequate transportation service to the country:

"(a) Continuous increases in the cost

Continued on page 11.

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NEWS OF SECURITIES – Trading Restrained

WITH minimum restrictions checking and regulating liquidation it is more difficult to follow the real developments of the investment situation. However, so far as the security markets are concerned, their performance of the week must be regarded as fairly satisfactory in view of the demoralization of the American markets which accompanied the Russian news on Thursday and which come as a climax to a period of extreme nervousness. Whether the Canadian minimums prevented sympathetic liquidating in Toronto and Montreal is difficult to decide, but the fact remains that there was a fair showing of trading at the minimum considering the outside influences. Further there has been offered an opportunity for concentration of effort upon the war loan which might otherwise have been impossible. Under all the circumstances there are no very strenuous objections now heard to the course taken on Montreal's lead.

The New York situation is attracting more than usual attention in relation to the Canadian markets. There are differences of opinion as to whether minimums may again be enforced in Wall Street, and much, of course, may depend upon what are the influencing events of the early future. Wall Street itself is looking to Washington for some action, bankers being of the opinion that authorities at the Capitol alone can put an end to indiscriminate dealing. Following are some interesting American views:

A leading banker summarizes the present situation for Dow, Jones & Co. as follows: There are just three things which the country wants from Washington. First, definite announcement that the railroads will get a substantial increase in freight rates. Second, assurance that the 1918 program for raising money will not call for increases in either the income or corporation taxes. Third, assurance that the next Government financing will be through short-term Treasury notes, a practice followed with success in Great Britain, and not through another long term bond issue. One of the worst influences affecting the present market is the assertion made by a Washington official just before the second Liberty Loan was out of the way that the Government was laying plans for a third war loan. Business conditions are sound but the public is alarmed because assurance of these sound conditions is not forthcoming from the highest authorities of the country. The only thing the Government has done to stop liquidation was contained in the statement of the Comptroller of the Currency that national banks need not mark down securities held for collateral to the quotations ruling in the open market. This announcement did not fill the needs of the hour.

J. S. Bache & Co., New York.—The hysterical condition which has more or less dominated prices (irrespective of values) this week, has no foundation in reason. None of the contributing causes usually accompanying excessive declines have been present, namely, money and credit troubles. The money supply is abundant and unused credit resources are so great that they might even be called excessive. Such unwarrantable and abnormal conditions cannot be allowed by financial interests to safely continue. The action of the Board of Governors of the Stock Exchange is conservative and wise, and will eliminate the inimical bear drives which have helped along the downward momentum, like wasps tormenting a runaway horse.

Financial World, New York.—In this time of doubt and hysteria in the market places, the security holder who gives way to senseless fear and sacrifices his holdings is doing just exactly what he should not do and just what the market jackals and hyenas of finance want him to do in order that these panderers to panic talk and false rumors may profit. We are at war with a great and powerful foe, and it behooves Americans, men and women, who hold American securities, to display the same sound sense and courage as is shown by our soldiers and sailors who have gone forward to the battle line. We want to add that those security holders who threw all discretion to the winds and cast their securities overboard on Thursday of this week were playing directly into the hands of those unpatriotic and traitorous market operators whom the Stock Exchange has taken effective means to drive away or disarm.

STEEL

Interest Lacking Due To Minimum Prices and War Loan—New Shell Orders.

By P. BAIN, M.E.,
Editor Canadian Machinery.

Interest in steel securities has been a negligible quantity since minimum prices were established and consequently trading has been extremely light; the war loan is also a factor. The steel interests are following closely the new development in the munitions industry which appears likely to assume large proportions. The United States Government have placed, through the Imperial Munitions Board, contracts for a large number of shells, to the value it is reported of $20,000,000. About a dozen firms will participate in this contract, these firms having all previously been very successful in the production of shrapnel shells. The shell in question is the 75 millimetre French pattern which has been adopted by the U. S. Government for the new army.

Developments are also expected in another field of activity which will benefit Canadian steel manufacturers. THE FINANCIAL POST understands that firms in the United States having shipbuilding contracts welcome the aid of Canadian concerns in supplying ship deck machinery, main engines and auxiliary equipment. Specifications of requirements will be ready in a week or two and in the meantime would suggest that Canadian firms desiring to obtain orders should prepare detailed particulars of the lines which they are prepared to furnish, so that the United States firms will know exactly what they have to offer. The American firms insist on a delivery guarantee and hold the opinion that the Canadian Government or the Imperial Munitions Board should be responsible for the fulfillment of contracts on time.

While the steel mills are destined to benefit by the recent developments in the trade because of the embargo and the revival in the munitions industry, consumers are not in such a happy position. Firms having war orders are not likely to be materially inconvenienced by the shortage of steel but those not thus engaged will likely have considerable difficulty in obtaining material if it has to be imported from the States. The demand is so heavy that it may not be possible for the mills in the States to supply steel for purely commercial purposes in Canada except in very limited tonnages. The outlook for manufacturers not engaged upon war orders is not particularly bright but it is apparent that very little more can be done to improve their position.

	Close Nov. 1	Close Nov. 8	Change
Do., pref.	50	49½	— ½
Can. Loco., com..	58	58	...
Do., pref.	84½	84½	...
Gen. Elec.	103	101½	—1½
Dom. Bridge	128	128	...
Dom. Iron, pref..	87½	88	+ ½
Dom. Steel	52	52½	+ ½
N.S. Steel, com..	79½	79½	...
N. Stl. Car, pref.	17	17	...
Stl. of Can., com.	49⅝	49½	— ⅛
Do., pref.	84¾	85¼	+ ½
Rus. Motor, com.	50	50	...
Ont. Steel, com..	25¼	22½	—2¾

STEEL OF CANADA.

Steel of Canada continues to hang round the minimum price of 49½ in spite of occasional activity. All the company's plants are very busy and the outlook is very favorable. An important contract for 75 millimetre shells has just been secured which will be executed at the Brantford plant.

DOMINION BRIDGE.

The Dominion Bridge Co., is understood to have secured a contract for 75 millimetre shells from the United States Government which will keep their shrapnel plant busy for several months. There is a prospect of the Company participating in contracts for marine equipment which it is understood the American Government will distribute in the near future. Bridge stock is unchanged in 128 with comparatively little demand.

NATIONAL STEEL CAR.

The affairs of the National Steel Car Co. have not, it is understood, been entirely adjusted so the shareholders will have to continue to exercise a little patience in regard to the long overdue report. Nothing further has developed from the negotiations now under way to secure judgments from the French Government in connection with an order completed some time ago. The report is being held up pending a settlement of this matter.

NOVA SCOTIA STEEL.

It is understood that the directors of Nova Scotia Steel & Coal Co. who have recently been over the property are well satisfied with the steps toward modernization which the new management is taking. The company has gone back into making shells, and has taken large orders from the Canada Government for two sizes of shells. In both cases a substantial advance in price over previous contracts was granted. Nova Scotia Steel in days before the war was a considerable exporter of iron ore, however, this business has been reduced to nothing by war's exigencies. The company has had a fleet of twelve or fourteen steamers which it held on long-term charters. It is understood that it has chartered several of the ships for outside use, some for South American trade. The charter payments which Nova Scotia Steel will receive will be very substantial. In fact, on one ship the charter will be in excess of $600,000 per annum, all of which is practically net profit.

FOUNDRIES AND FORGINGS.

A development of considerable interest at the Welland plant of Canada Foundries and Forgings is the commencement of work on the forging of ship parts of the larger kinds. Several orders are now in hand, and it is understood that the company will have its hands full of this class of work for some time to come. It will be recalled that the company recently decided to specialize on this class of work as a preparation for the period after the war when the class of work now engaging its attention is retired. The acquisition of the plant of the Delaney Iron and Forge Co. of Buffalo, N.Y., was part of this plan, and already results are being obtained. In departments which have been active since the war started there is great activity, which will continue throughout the winter on the basis of orders now in hand. New business has been coming forward in unexpected volume, after a comparatively dull spell. It is evident that the earnings will continue on a large scale.

CANADIAN CAR.

The Canadian Car and Foundry Co. will begin making regular deliveries on the order of 4,000 new cars for the Canadian Government system within a couple of weeks. Both Nova Scotia and the Steel of Canada are making steady deliveries of steel and 60 cars a day will be turned out by the end of the year. Not only the Montreal, but the Fort William and Amherst plants are now engaged on the contract. The Amherst plant has increased its capacity to ten cars daily. The Russian order has been completed finally. A report from Washington states that Secretary of War Baker has held up the recent contract for thirty thousand steel railroad cars as the result of protests by representatives of the Canadian Car and Foundry Co., and the Russian Mission. The award was made at $1,600 per car, a price $65 higher than the bid of the Canadian Car and Foundry, the lowest bidder. There has been a slight change this week in Canadian Car preferred stock from the minimum price. The preferred is up to 50 and common unchanged at 18½.

DOMINION STEEL.

The directors of the Dominion Steel Corporation at the meeting at Montreal on November 2, declared a quarterly dividend of 1¼ per cent. for the last three months of the current year, payable Jan. 1, 1918, to shareholders of record December 5th. This action places the stock on a 5 per cent. basis instead of the former rate of 4 per cent. A larger distribution to the shareholders has been in prospect for some time, and the announcement was not unexpected. An advance in the regular rate, rather than an extra distribution in the form of a bonus, is in line with the known views of leading interests in the direction of the corporation's affairs. In the two years to March 31 last the corporation earned altogether about $35 a share on its common stock, and the only distribution was the $1 dividend declared just before the end of the 1916-17 fiscal period. Earnings for the current year are understood to be ahead of last year's, when the surplus earned for the common was in excess of 25 per cent. As two quarterly payments of 1 per cent. have already been made, if the 3 per cent. rate is adhered to for the fourth quarter, the total distribution for the year will be only 4½ per cent. The company has also given its employes a 10 per cent. increase in wages. Following the announcement of the increased distribution the stock opened at 53½, it touched 54 and then relapsed to 53. The stock is now standing at 54.

MILLING

Efforts To Regulate Industry Having a Direct Effect Upon the Investment Situation

By J. L. RUTLEDGE,
Editor Canadian Grocer.

There has been little change in the milling situation since last week, or indeed for some time past. The only influences that may possibly have an effect are the Food Controller's order regarding the packaging of cereals and the setting of a price on flour. As far as the food controller's order goes it is already having its effect, though the embargo does not become operative for some time to come. The mills and the manufacturers of breakfast foods are in many instances finding that their customers will not take delivery even of such orders as are at present standing. This means of course an overstocking by the mills, and a general decline in package goods sales. As such goods form the entire output of some establishments, and a good proportion of that of some of the mills, this set-back will have a detrimental effect on business. The embargo will also mean the practical wastage of large quantities of cartons in which the mills as a rule are heavily stocked and this will be another serious item. With the breakfast food firms, while there is every indication that most of them will eventually be licensed, the present uncertainty is having a very serious effect. Most of these manufactories have practically ceased operations, as the outlet for their product is practically cut off for the time being. As the staff of employees has to be retained, this involves a rather serious drain on their resources.

As for the fixing of the price on wheat, THE FINANCIAL POST is informed by Sanford Evans, the Food Controller's representative on the milling committee, that there is no likelihood of any action in this regard until toward the end of the month, and that no such decision would be operative before December. In any event there is very little likelihood that such a price would be any very great change from present figures. With the present set price of wheat milling authorities do not expect a set price will show more than a 10 cent decline on present prices.

The different influences at work, together with the general trend of the investment market, are evidently having their effect upon the situation as regards milling securities. In this issue will be found a chart which illustrates the price movements of the past two months. It will be noted that at the end of September, on the strength of dividend declarations, there was a sharp upward movement but since then there has been a steady and often precipitous decline.

OGILVIE MILLING.

The record for capacity operation established by the Ogilvie Flour Mills Co. in the year that has just ended will be repeated this year if present conditions continue. THE FINANCIAL POST was informed that domestic business was holding up well, while the buying for export was such that anything the mills had to offer was accepted. There is, of course, a considerable element of uncertainty in such a condition, for the mills do not know from week to week, or even from day to day, whether or not the Commission will be in the market, but after a quietness of some weeks the buying from that quarter is now brisk. No word has been received as yet as to what arrangements the Government will make further as to regulating prices, but it is known that the Food Controller called several jobbers down to Ottawa during the week for a conference.

A few sales were noted in the stock during the past week. There was no indication of any feeling of weakness, though this company would probably suffer serious inconvenience to say nothing of financial loss if the Food Controller's package goods order becomes operative against them. Sales were made at 140 for the common and at 110 for the preferred.

SHREDDED WHEAT.

The activities of this company, in common with many other breakfast food concerns has unquestionably been very considerably affected by the Order-in-Council against package goods. The company, however, is still doing a fair business, and it has a fair case to present, in claiming a license, in that its product could not be marketed in any other way than the present system. There was no activity in the stock during the week. The last sale of the common was made at 112.

MAPLE LEAF.

There was somewhat more activity in Maple Leaf Milling Company stock during the past week, though there was no evidence of any revival of the former high prices. Trading remained at a dead level of the low of the preceding week; 98½ was the figure quoted. Some activity was evidenced in the preferred, the price being 92½, a fractional falling off from the last previous sale.

LAKE OF THE WOODS.

In spite of the delay in the fixing of prices of flour by the Food Controller, domestic business of the Lake of the Woods Milling Company continues brisk. Some difficulty is experienced in securing cars for shipment of goods. So far as export is concerned THE FINANCIAL POST was informed that the Wheat Export Company was taking as much as the mills have to offer.

There was only one day's selling in this stock, that day, however, showed a most sensational decline, fifteen shares of the stock selling at 80¾. This decline from the 120¼ figure of the previous week is hard to account for as nothing in the past or present history of the company would seem to justify such a decline.

WESTERN CANADA FLOUR.

The business of this company, according to General Manager J. E. Macfarlane, is of a very satisfactory nature, though there is a good deal of difficulty being experienced due to the shortage of cars for handling the products. This presents a rather serious situation at the moment, and is a considerable drag on the company's activities. The Order-in-Council is not having any appreciable effect. There is, Mr. Macfarlane states, a greater demand for bulk goods which serves to offset any falling off in the package lines.

PULP AND PAPER

Imposition of the Minimums Has Contributed to Make a Featureless Market.

By W. A. CRAICK.

Thanks to the putting in force of minimum selling regulations, prices of pulp and paper securities exhibit no change for the week. There was very little trading, some issues being entirely overlooked and others dealt in in exceedingly small amounts. No stock was in sufficient demand to push the price above the minimum. The comparative table for the week accordingly shows no variations.

	Close, Nov. 1	Close, Nov. 8	Change
Laurentide	152	152	..
Riordon	117¼	117¼	..
Spanish, com. ..	13	13	..
Wayagamack ...	50¼	50	— ¼
Brompton	39	39	..
N.A. Pulp	2⅞	2⅞	..
Price Bros.	120	120	..

An extension of the fixed price of $2.50 per hundred pounds for newsprint sold in Canada has been made by the Minister of Customs. The rate will continue in effect until November 20. By that time the Government should be in a position to take action on Commissioner Pringle's report, though it is felt in manufacturing circles that no change will likely be made until after the elections. If an increase is inevitable, as the manufacturers believe, it would scarcely be good policy for the Government to put it in force on the eve of a very difficult campaign.

The hearing in the case of half-tone news and book papers, being conducted by Commissioner Pringle at the instance of the Trade and Class Section of the Canadian Press Association, opened yesterday morning at the legislative buildings in Toronto. The publishers were represented by I. F. Hellmuth, K.C., and the manufacturers by Geo. F. Henderson, K.C. Proceedings were of a preliminary nature. The Commissioner submitted a series of questions, which will have to be answered by the manufacturers, and appointed Geoffrey Clarkson as the official auditor to make an immediate inspection of their books. An offer was made by the manufacturers to hold a conference with the publishers with a view to coming to some agreement on prices without continuing the inquiry. Pending such settlement, however, the investigation will go on. The inquiry was adjourned until the auditor's reports are prepared.

The paper committee of the America Newspaper Publishers' Association are recommending to members of that association and United States publishers in general that they do not sign any contracts for 1918, except at a price in the vicinity of 3 cents f.o.b mill, and except the contract is offered on a basis in accordance with the recommendations of the Paper Committee and the Federal Trade Commission. This action is based on the following considerations:—(1) Increased production of paper; (2) Difference between exports and imports is increasing favorably; (3) Introduction of Newfoundland paper (4) Reduction of consumption; (5) No increase of circulations; (6) Slight falling off in advertising; (7) Large quantity of paper in storage.

The trial of members of the News Print Manufacturers' Association on indictments charging violations of the Anti-Trust law will open in the U. S. District Court for the southern district of New York on either November 15 or 19. The case may run over a period of two or three weeks.

RIORDON.

A definite policy of grading down prices of sulphite pulp with the lowering of costs of manufacturing, irrespective of the demand, has been adopted by the Riordon Pulp & Paper Company, THE FINANCIAL POST was informed. For instance, in the case of unbleached sulphite the early winter price of $110 a ton has been reduced now to about $75 a ton. This is still $30 above the normal figure of $45 that ruled before the war. Speaking to THE FINANCIAL POST the sales manager, T. J. Stevenson, stated that there were about the same number of men now engaged in the woods cutting the pulpwood as one year ago.

The only transaction in Riordon stock this week was a sale of three shares at 117¼, which was practically the same basis as last week.

HOWARD SMITH PAPER MILLS.

Although the Howard Smith Paper Mills is included in the list that it is announced will be investigated by the Commissioner, R. A. Pringle, K.C., namely book and writing paper manufacturers, Howard Smith, the president, stated to THE FINANCIAL POST that he had received no official notification of the opening of the inquiry at Toronto. It is presumed that the first session will be a preliminary one, and brief, and that the basis of the questions as well as the scope of the inquiry will be determined then. As the inquiry goes on it is expected to check buying by the trade, as they will be afraid to stock up to any extent if there seems a likelihood of prices being reduced. The general business of the Howard Smith mills is reported as fair for domestic, and export prospects as improving, dependent mainly on transportation facilities.

A single transaction in Howard Smith shares at 65 occurred during the week. This was the first sale since the middle of September, but indicated no change in price.

PROVINCIAL PAPER MILLS.

Operations at the Georgetown mill of the Provincial Paper Mills have been somewhat disorganized through a fire which broke out last week in the beater room and, before it could be controlled, had put one of the paper machines out of business. S. F. Duncan, secretary of the company, states that it will take about six weeks to repair the damage.

Trading in Provincial Paper shares, though these are now listed on the Toronto Exchange, is very limited. There have been no recent sales of common, while the preferred sold last at 78.

BROMPTON.

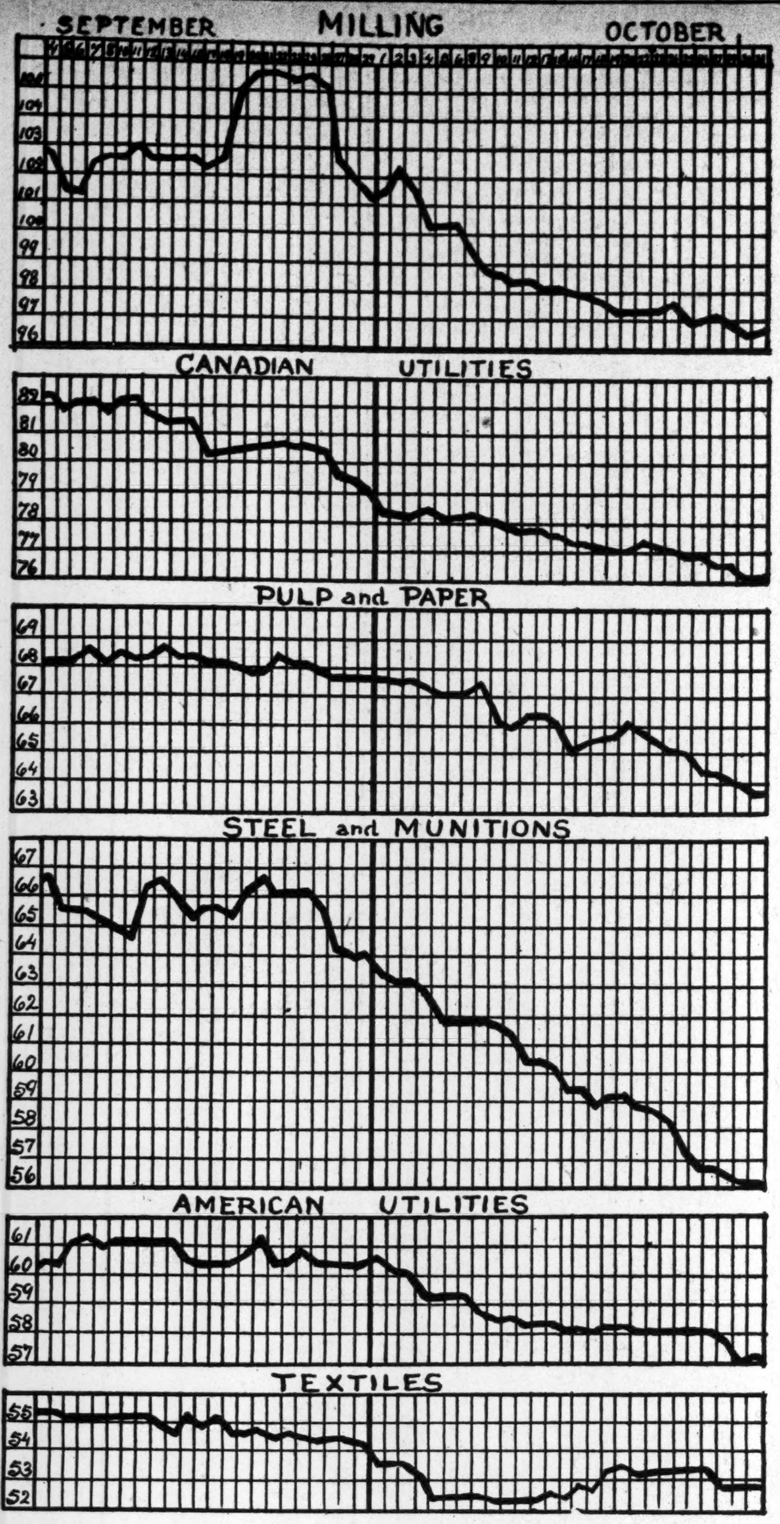
Brompton Pulp & Paper shares have held unchanged all week at $39. This is within a point of the lowest level ever touched by the stock.

SPANISH RIVER.

Common shares of the Spanish River Pulp & Paper Co. have sold during the week at 13, which is the price that has prevailed for the past two or three weeks. The preferred has not been dealt in.

LAURENTIDE.

There has been very light trading in Laurentide this week. The price has held unchanged at 152, the closing price of the previous week. Just a month ago Laurentide was selling at 165 and two months ago at 170. The decline illustrates forcibly how marked has been the contraction in value of even the very best paper security.



In view of the gradual readjustment in investment escurities which has been in progress for some time and which has culminated in a weakness necessitating the imposition of new minimum prices, THE FINANCIAL POST'S chart of price movements of the past two months is of more than usual interest. It will be noted that the decline of the steel and munitions stocks has been very sharp during October while milling has slumped steadily since the boom of the latter part of September when there were several attractive dividend declarations. Canadian and Foreign utilities continue their downward movement and pulp and paper stocks are still readjusting themselves; even the textiles have felt the general influence.

Charts are based upon prices of common stocks in actual sales. The key figures indicate relative value—milling stocks it will be noted were on the average above par during the greater part of September.

MINING STOCKS

Trading Still Very Limited, With Prices Receding to Still Lower Levels.

There are few bright spots in the mining market at present and the downward movement of prices continues. Trading is light, the daily average falling as low as 50,918 shares, as against 57,772 shares the previous week. When the general weakness of the outside markets is considered and the fact that the Toronto and Montreal exchanges have had to re-establish minimum prices is recalled, the behaviour of the mining stocks is not so bad. Price changes for the week, as shown in the following table, are by no means serious. They indicate that there is inherent strength back of the present appearance of instability.

	Close, Nov. 1	Close, Nov. 8	Change
Adanac	.15	.12	— .03
Beaver	.33½	.32	— .01½
Dome	7.50	7.35	— .15
Dome Ex.	.10¼	.10	— .00¼
Hargraves	.08¾	.08½	— .00¼
Hollinger	4.70	4.75	+ .05
McIntyre	1.33	1.32	— .01
Nipissing	8.25	7.70	— .55
Vipond	.21½	.20	— .01½
Newray	.47	.49	+ .02
Timiskaming .	.27¾	.26	— .01¾
West Dome....	.15	.14½	— .00½

The price of silver, after its rapid recovery last week, has been easing off again, as is indicated in the following daily record of New York prices. The other column gives the sales each day of mining shares on the Standard Exchange.

	Transactions in shares	Price of Bar silver
Friday, Nov. 2	68,084	88⅞c
Saturday, Nov. 3....	24,580	88¾c
Monday, Nov. 5	52,060	87¾c
Tuesday, Nov. 6	40,935	....
Wednesday, Nov. 7..	53,763	86⅝c
Thursday, Nov. 8 ...	66,085	86⅛c

Ore shipments from the Cobalt camp during October amounted to 6,380,710 pounds, contributed by sixteen companies. This compares with 4,600,000 pounds in September and is by far the largest total of the year to date. The Mining Corporation took the lead with 2,875,200 pounds or nearly half the gross amount.

Last week shipments reached 1,382,324 pounds. The Mining Corporation again led with 367,640 pounds. Buffalo coming second with 328,284 pounds. The following was the list of shippers:—

Shipper.	Cars.	Pounds
Mining Corp.	6	367,640
Buffalo	4	328,284
McKinley-Darragh	3	242,688
Aladdin	2	141,200
Nipissing	1	87,815
La Rose	1	87,608
Trethewey	1	68,106
Kerr Lake	1	58,983
Total	19	1,382,324

Bullion shipments during the week were also heavy, as shown below:

Shipper.	Bars	Ounces	Value
Nipissing ...	173	227,087.80	$196,694.27

A special session of the members of the Mine Managers' Association was held in Cobalt on Tuesday. George Chapman, technical expert to Minerals Separation, was present, and in a brief address said the charges which nailed Beer, Sondheimer & Co. to Minerals Separation were without foundation. In fact he stated that Mr. Ballot had already been in Ottawa, and had placed the affair in the hands of the Canadian authorities, and felt firmly convinced the company representatives would come out clean and be proven free from German influence and control.

B. Neilly, President of the Mine Managers' Association, replied that, while the assertions of Mr. Chapman were of interest and sincerely given, the mine managers of Cobalt, as a body, were equally sincere in their belief that Minerals Separation was German controlled. The whole matter, he said, must rest with the authorities at Ottawa. If, however, the Government officials became convinced that Minerals Separation is not influenced or controlled by Germans, then the question of terms of royalty would be in place. But until such time as such proof was forthcoming it would be out of place to give statistics to anyone, in that it might be the means of conveying valuable information to alien enemies.

LAKE SHORE.

The new mill building at the Lake Shore mine is just about finished, and the installation of the machinery is expected to commence at once. By the end of the year the mill should be well on towards completion. It will have a capacity of 80 tons.

KIRKLAND LAKE.

Work on the erection of the 150-ton mill on the Kirkland Lake Mining Company's property is proceeding satisfactorily. At the present time the foundations have been completed and a comparatively large force of men is engaged in the erection of the framework.

McKINLEY-DARRAGH.

McKinley-Darragh's quarterly statement for the three months ended September 30 proves to be a highly favorable one. Cash resources were shown to be $392,888, which compares with $352,592 in the previous quarter and are equivalent to 17¼ cents per share. The new unit, which has been added to the flotation plant, is practically ready for operation. It will bring the capacity of the plant up to 500 tons of ore per day, of which half will be taken from the mine workings and half from the dump.

McKinley's range for the week has been between 58½ and 59½.

SCHUMACHER.

The Schumacher mine is now treating about 180 tons of ore per day, and the heads are said to be averaging close to $7 per ton. Costs are in the neighborhood of $4 per ton. Total production is now running close to $420,000 per annum. If developments at depth on this property prove as satisfactory as on McIntyre and Hollinger, it should be an easy matter to bring heads to a considerably higher figure.

The last transaction in Schumacher was at 45, a decline of nearly 20 points from the high of September.

ADANAC.

According to the *Northern Miner*, the Adanac is now developing a vein system which is most promising, on the 310-foot level. Another vein has been opened. It is about six inches in width and shows native silver, argentite and ruby silver. This vein is running parallel with others now being worked on. It is thought that still another vein will be encountered shortly. The high-grade ore that the Adanac has been accumulating will probably be shipped in a few weeks. The shipment will comprise about thirty tons of a little better than two thousand ounce ore. It has been found that the ore bodies developed will produce about a foot of mill rock on each side of the veins carrying around twenty ounces.

Adanac shares closed on Thursday at 12, a decline of over a point during the week.

PRESTON EAST DOME.

It was reported during the week that interests in close touch with the Hayden mine of Porcupine had secured an option on the Preston East Dome property. This statement was denied by a director of the Preston. It then developed that the option was on the Preston claim, which was formerly under option to the Preston East Dome. The property is in Deloro Township, southeast of Dome Lake, and comprises about 40 acres.

CONSOLIDATED SMELTERS.

The company finished the month of October with ore receipts at the Trail smelter of 11,596 tons for the ten days ending October 31, bringing the month's total up to 44,403 tons. Comparison with last year's receipts shows a fair increase:—

Week ending:	1917.	1916.	Diff.
Oct. 7	12,594	9,753	+ 2,841
Oct. 14	10,044	7,271	+ 2,773
Oct. 21	11,721	11,262	+ 459
Oct. 31	11,596	12,064	— 468
	44,403	40,350	+ 4,053

INTERNATIONAL NICKEL.

A cut in the quarterly dividend on International Nickel from $1.50 to $1.00 a share was made on Monday. The surplus of $1,974,320 shown at September 30 was insufficient to meet a $1.50 dividend, being, in fact, only equal to $1.18 on the common stock. The reduction in the amount due for common dividends is due mainly to the large reserve, which the company has had to provide against United States war taxes. This, however, is not the only factor in the decreased net showing. Operating expenses have been considerably higher and, while the demand for nickel is larger than ever since the United States entered the war, gross income is less. Notwithstanding the heavy advance in costs which have taken place in the last six months, International Nickel has advanced the price of nickel but once.

TIMISKAMING.

Max Morganstern, of New York, is sending out a statement to shareholders of Timiskaming, in which he goes at length into a number of controversial matters in connection with the mine's affairs. He criticizes the management for failing to inform the shareholders of the financial and physical conditions of the mine when mailing dividend cheques last week, adding:

"The really most important question to be considered first is the intrinsic value of our stock. Our company, after payment of present dividend, has quick assets on hand of over $525,000, which is very largely in the shape of cash in the treasury, equal to at least 21c per share. The large portion of positive ore, as shown in Engineer Neilly's report, dated August 29, still to be milled, will net the company a profit of at least 7c per share; and the immense amount of ore tailings, which is the waste from former operations, carrying at least 600,000 ounces silver, as shown in annual report, issued last February, will net the company, after providing for the cost, at least 11c per share. This gives you so far a net total value of 39c per share, without having made any estimate of the value of the probable ore, which means ore that can be seen on one, two or three sides, and which generally is vastly more than the positive ore."

Mr. Morganstern says the changes made in the company's by-laws are satisfactory, as they have made it impossible for the management to "railroad through any absurd deal like the one attempted by the management last February and March." He says President Culver has refused to allow him to inspect the mine, despite his (Morganstern's) large holdings of the stock, and that he in fact represented a majority of the stock at the last annual meeting. He also alleges that for the past six months there has been a persistent effort to depress the stock in the market.

Timiskaming shares have been holding fairly steady between 26 and 28, closing on Thursday at 27.

ELECTRIC RAILWAYS

Readjustment in Security Value Is Being Continued in Utility Stocks.

As will be seen by the chart published this week of the movement of Canadian securities during the past two months, the readjustment of public utility security values has continued steadily. Conditions which have been so often described are still at work, but many of the stocks, are getting to a basis where their

Continued on page 4.

THE CANADIAN BANK OF COMMERCE

PAID-UP CAPITAL - $15,000,000
REST - - $13,500,000

Head Office, TORONTO

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President
SIR JOHN AIRD - - - General Manager
H. V. F. JONES - - - Ass't General Manager

The Bank has branches in every part of the Dominion of Canada, as well as in St. John's, Newfoundland; New York, Seattle, San Francisco, Portland, Ore.; Mexico City, and London, England. By reason of its many branches in Canada, the Bank is able to place at the disposal of correspondents abroad excellent facilities for the transaction of every kind of banking business

Collections

Collections made in any part of Canada at reasonable rates.

A GENERAL BANKING BUSINESS TRANSACTED

The Dominion Bank

HEAD OFFICE - TORONTO

Sir Edmund B. Osler, M.P., President
W. D. Matthews, Vice-President
C. A. BOGERT, General Manager

The London, England, Branch of The Dominion Bank at 73 Cornhill, E.C., conducts a General Banking and Foreign Exchange Business and has ample facilities for handling collections and remittances from Canada.

The Weyburn Security Bank

Chartered by Act of the Dominion Parliament.

HEAD OFFICE, - WEYBURN, SASK.

NINETEEN BRANCHES IN SASKATCHEWAN.

DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn Sask.; Frank Moffet, Weyburn, Sask.; H. N. Morphy, Weyburn, Sask.; S. E. Oscarson, White Rock, S.D.; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.

A General Banking and Foreign Exchange Business Transacted

THE HOME BANK OF CANADA

Notice of Quarterly Dividend

Notice is hereby given that a Dividend at the rate of five per cent. (5%) per annum upon the paid-up Capital Stock of this Bank, has been declared for the three months ending the 30th of November, 1917, and that the same will be payable at the Head Office and Branches on and after Saturday, the 1st day of December, 1917. The Transfer Books will be closed from the 16th day of November to the 30th day of November, 1917, both days inclusive.

By order of the Board,

J. COOPER MASON,
Acting General Manager.

Toronto, October 24th, 1917.

UNION BANK OF CANADA

Dividend No. 123

Notice is hereby given that a Dividend at the rate of 8% per annum, together with a bonus of 1%, upon the Paid-up Capital Stock of the Union Bank of Canada, has been declared for the current quarter, and that the same will be payable at its Banking House in the City of Winnipeg, and also at its branches, on and after Saturday, the 1st day of December, 1917, to shareholders of record at the close of business on the 15th day of November next.

The Transfer Books will be closed from the 16th to the 30th day of November, 1917, both days inclusive.

By order of the Board,

H. B. SHAW,
General Manager.

Winnipeg, October 18th, 1917.

NEWS OF SECURITIES

Continued from page 3

return indicates an attractive proposition from the investment standpoint. Some of the American stocks which are not sustained by the minimums on the Canadian markets have shown marked weakness during the past week, but for the most part the utility group has held its own in the face of the general movement.

The power situation in Ontario is becoming increasingly interesting. Not only are the municipalities being asked by Sir Adam Beck to reduce their consumption, but the development companies are being urged to produce to their limit. The proposal to cut off American consumers under contract with Canadian producers has been considered by Sir Henry Drayton acting as a commissioner of inquiry, but he has recommended that no action be taken in this direction for the time being. In the meantime it is evident that a considerable problem has to be solved if the munitions plants are to be allowed to continue to operate to their maximum capacity. In the face of such a crisis the report of the Hamilton Commission condemning the Hydro radials scheme has been in the nature of a bombshell which threatens to attract attention to the stability of the Beck schemes in general.

Sixty-seven street railway companies in the United States have been allowed fare increases in some form since 1914, according to the committee on public utility rates of the National Association of Railroad Commissioners. The committee reported that with increasing costs of operation an increase of revenue is necessary in order that street railway service, "which is very important in urban and interurban development, may not be crippled or destroyed, and a rate on the mileage basis with a minimum charge seems to be the most promising resource available."

WINNIPEG ELECTRIC.

An interesting interview with the new general manager of the Winnipeg Electric Railway, A. W. McLimont, is published in this issue. It should be of great interest to the shareholders of the company, in view of the uncertainty which has existed for some time regarding the situation in Winnipeg as to the operation of the jitneys and the public attitude in respect to the company's various public services. Mr. McLimont is evidently out to meet the situation along proper lines, that is by placing company before the people in a true light and showing that it is important for the welfare of the community that the treatment meted out should be such as to permit of efficient service. In concluding his interview with THE FINANCIAL POST'S representative, Mr. McLimont gave the following message to the shareholders, "If they will only consider the period through which the country is passing, also the high cost of operation due to the increased cost of labor and material, it will occur to them that the gross revenue is not increasing as rapidly as the operating cost due to the prevailing conditions. In some cases the material used in operation has increased 264 per cent. in cost while the street car fares remain the same always. However, these will adjust themselves eventually and the shareholders have got to bear with the management during this trying period as everything is being done to increase the net earnings."

There have been no sales of Winnipeg this week. The minimum price is 45 and there appears to be no interest on the part of buyers at this figure.

TWIN CITY.

While the gross earnings of the Twin City Traction Company increased during the nine months ending September 30, it is being pointed out that the net income showed a decrease of $339,000. The total income was $1,270,000. However, as the common dividend requirements for the period referred to are only $990,000 and the preferred $157,500 it will be seen that the company is still earning over the dividend demands. Generally speaking, traction stocks may be regarded as peace issues, because in war times practically everything seems to advance but tram car fares. However, in the United States there is being shown a tendency to give more intelligent consideration to the demands of the traction companies for higher returns for their service than is the case in Canada.

There has been a sharp break in the market for Twin City common this week, the price having broken from 76 to 75. Last week it was as high as 78¼.

TORONTO RAILWAY.

The question is now being considered as to the advisability of submitting to the ratepayers of the City of Toronto at the forthcoming municipal election the question of taking over the street railway at the expiration of the franchise in 1921. The Central Council of Ratepayers' Association has discussed the matter and the executive of that body will appear before the Board of Control. However, it would appear that any such course to secure a further expression of opinion from the ratepayers would be largely a formality as the city has already by vote been committed to such a course. Civic officials take the attitude that the natural trend of events now will be to allow the company's charter to die a natural death in 1921 and the corporation will then proceed under the terms of the agreements on which the charter is based.

Students of the stock market situation, who take the attitude that it is only a question of time until the Toronto Ry. will have to reduce its present dividend rate, point out that the company is not in a very strong cash position, the balance in the bank on December 31, 1916, being $537,059. Sutherland & Company in their market letter say: "The profit and loss surplus at the end of last year was $5,408,000 but this is a dubious item from the standpoint of shareholders. This item helps to balance such an account as $20,077,000 in "road equipment, real estate, buildings and pavements," and cannot be converted into dividends. Cash alone will pay them. How will the company stand at the end of this year? Granted the increase in gross earnings counterbalances the higher cost of materials and equipment, the following conclusion may be reached: Net profits ($1,340,792, minus $500,000 increased wage bill this year), $840,792; cash in bank at end of 1916, $537,059; total cash available at end of 1917, $1,377,851; dividend requirements, $958,826. It is evident that to maintain the dividend the company will be running dangerously close to the limit of their cash resources.

Shareholders of the company who have been following the developments as regards the Ontario Hydro-Electric projects and the Niagara power situation in general in relation to the subsidiary concerns of Toronto Railway have no doubt found much to interest them recently. It would appear that Sir Adam Beck finds himself in a position where he has contracted to deliver more power than he can develop, and not only is it necessary that the municipalities shall curtail their requirements, but the private companies are being asked to increase their output. For instance, the Electrical Development Company is being asked to develop to its limit while only a short time ago action was being taken by Sir Adam to prevent this concern taking any more water than stipulated in its agreement—a stipulation which by the way has not been clearly interpreted.

At a hearing of the new Power Commissioner, Sir Henry Drayton, at Toronto, Mr. McDougall of the Toronto Power Company was called and stated that the Niagara plant was capable of developing 146,000 horse power. The Toronto steam plant could develop 3,000,000 kilowat hours, but was only being utilized up to half of this capacity. However, steps were being taken to have the generating equipment prepared and the plant would be in A1 condition for the winter load.

There has been a fair volume of tradin the company's stock this week, considering all the conditions prevailing. The minimum price of 60 has prevailed in all cases, and it is indicated that there is a fairly free market at this figure for the time being.

Earnings of the Toronto Railway Company and subsidiary concerns for the month of August totalled $448,806 an increase of $21,744 over August of 1916. From the first of the year to the end of August gross earnings at $7,867,595 showed an increase of $775,365 and net earnings at $3,694,880 an increase of $237,325. It is thus evident that of the increase in gross, amounting to $775,356, $538,041 was absorbed in working expenses, maintenance, etc. Following are comparative figures for the year to August 31:

1917	Gross	Expenses	Net
January ...	$1,002,469	$531,668	$470,801
February ..	932,567	491,351	441,216
March	991,192	515,586	475,606
April	970,367	490,524	479,843
May	992,460	516,164	476,296
June	984,529	509,121	475,408
July	954,192	527,288	426,904
August	1.039,819	591,013	448,806

BARCELONA.

There have been a few sales of Barcelona this week at 8½, which is on a par with previous low record. There is no minimum price posted on this stock. Those who have been following Barcelona's career on the markets feel that in declining from around 13 at the opening of the year it has not suffered unduly, considering the conditions prevailing in the company's field and in regard to the investment situation generally.

BRAZILIAN.

The September earnings statement of the Brazilian Traction, Light & Power Company shows gross earnings amounting to 7,925,000 milreis as compared with 7,138,000 milreis for the same month in 1916, an increase of 787,000 milreis which is the largest increase in gross earnings yet shown for the year, although it will be noted that as compared with the gross earnings in August the figures for September were lower by 139,000 milreis. Operating expenses for the month were higher by 665,000 milreis, the amount being 4,025,000 milreis against 3,360,000 milreis in 1916. Net earnings amounted to 3,900,000 milreis, an increase over 1916 of 122,000 milreis which compares with declines in July and August. Following are the gross and net earnings for the nine months of the year:—

Net	1917	1916	Inc.
	—Milreis—		
January	4,002,000	2,841,000	161,000
February	3,885,000	3,519,000	366,000
March	4,151,000	3,783,000	368,000
April	4,053,000	3,840,000	213,000
May	4,289,000	4,108,000	181,000
June	4,022,000	3,930,000	92,000
July	3,849,000	4,141,000	*292,000
August	4,017,000	4,053,000	*36,000
September	3,900,000	3,778,000	122,000

* Decrease.

Gross	1917 Milreis	1916 Milreis		Inc.
January	7,266,000	6,626,000	+	640,000
February	6,872,000	6,276,000	+	96,000
March	7,549,000	6,913,000	+	636,000
April	7,453,000	6,882,000	+	571,000
May	7,864,000	7,304,000	+	560,000
June	7,642,000	7,178,000	+	464,000
July	7,795,000	7,420,000	+	366,000
August	8,064,000	7,405,000	+	659,000
September ...	7,925,000	7,138,000	+	787,000

The aggregate gross earnings from January 1 to the end of September amounted to 68,430,000 milreis against 63,151,000 milreis for the corresponding period in 1916, an increase of 5,279,000 milreis, while the aggregate net earnings were 36,168,000 milreis an increase of 1,175,000 milreis.

Brazilian Traction has been one of the most active stocks of the week, with sales running about 1,000 shares per day. In practically all cases the minimum of 32 has prevailed and, although there were a few transactions at a small fraction above this figure, the improvement was short-lived. Followers of the stock feel that the prevailing conditions as regards earnings and the physical state of the company's assets are attractive features from the standpoint of a long hold, the present factors operating against net profits being of an abnormal character and subject to readjustment.

DULUTH-SUPERIOR.

There have been no transactions in Duluth Superior this week. Last sales last week were at 42½, but since that time there has been no interest shown. The minimum is 42.

DETROIT UNITED.

Several hundred shares of Detroit United have changed hands this week at the minimum price of 104¾. Despite readjustments since the first of the year, Detroit still maintains its position as one of the most attractive of the public utility propositions.

NOVA SCOTIA TRAMS.

The application of the Nova Scotia Tramways & Power Company before the Board of Public Utilities for leave to increase the stock issue has been resumed. The new securities are proposed to recoup nearly $1,500,000 expended or to be expended on extensions and improvements. On several points which have been argued to show need for expenditures the board's decision has been reserved for the time being.

QUEBEC RAILWAY.

With the completion of the Quebec Bridge citizens of the ancient city are looking for a stimulus to local prosperity which should reflect in the earnings of the Quebec Railway, Light, Heat & Power Company. With the opening of the bridge for traffic it is expected that there will be a big increase in the volume of railway business and the Quebec Railway people are planning an extension to the structure which should give the company a share of the new business. Another important development is foreshadowed by the talk of arrangements being entered into between the Quebec Street Railway and the Dominion Government with a view to electrifying the Government railway between Champlain Market, in the city of Quebec, and Sillery Cove, it being understood that the line would be operated by the Quebec Street Railway. Still another big piece of news for Quebec is the statement that the Quebec & Saguenay Railway, recently taken over by the Government, will be completed as far as Baie St. Paul by December 1st, and that there is every likelihood of construction being pushed ahead so that trains may be running over the line clear to Murray Bay by the early summer of 1918.

There were a few sales of the common stock this week at 15, the minimum.

NORTHERN OHIO.

The Northern Ohio Traction & Light Company reports gross earnings for September amounting to $553,468 compared with $446,666 for the same month in 1916, an increase of $106,802. Operating expenses were higher by $105,649, while net income for the month amounted to $132,910, an increase of $17,767. The preferred dividend amounted to $24,450, which left a balance of $108,469 against $92,143 for September in 1916, an increase of $16,317. Comparative figures for September follow:—

September	1917	1916		Change
Gross	$553,468	$446,666	+	$106,802
Expenses	347,053	241,404	+	105,649
Gross Inc.....	206,415	205,261	+	1,154
Net Inc.......	132,910	115,143	+	17,767
Pref. Div.....	24,450	23,000	+	1,450
Balance	108,460	92,143	+	16,317

For the nine months of the present year the gross earnings amounted to $4,736,521 compared with $3,730,743 for the first nine months in 1916, while net income amounted to $1,122,419, against $1,034,649.

LIGHT AND POWER

LAURENTIDE POWER.

The returns of the Laurentide Power Company for the first nine months of the year show net earnings of $427,000 as compared with $224,000 for the corresponding period of last year. After fixed charges of $281,000 were paid, the net income stood at $145,000. As the later months are yielding a larger net return, namely, $20,000 for the month of September, it may be assumed that this will be continued for the final quarter, in which case the net income for the year would exceed $205,000, sufficient to pay 2 per cent. on the $10,500,000 of capital stock.

The most promising feature of the report for September, as of that for the first nine months of the year, is that any increase in business, that is in gross earnings, means a very large increase in the net earnings, or profits. In 1916 the gross income was $41,846; for September, 1917, this had grown to $57,950, an advance of $16,104. In the same month the operating expenses grew from $2,033 to $5,792, or only $3,759, leaving a net increase in earnings for the month of $12,344. For the nine months the gross earnings for 1916 were $245,342; for 1917, $480,239, an increase of $234,897. The operating expenses for the two periods compare as $20,611 to $53,053, or an increase of only $32,442. Or, in order to secure $234,897, it cost the company only $32,422, leaving a net increase of earnings of $202,455.

In the figures given below, for the nine months, it should be noted that for the first six months of 1916 the fixed charges for bond interest were put into construction account, as the plant was then being built; this explains the apparent small increase in net income for 1917 over 1916.

September.	1917	1916
Gross income......	$57,950	$41,846
Expenses, etc.......	5,792	2,033
Net earnings	$52,157	$39,813
Fixed charges	31,250	29,166
	$20,907	$10,646
Nine Months.	1917	1916
Gross income.....	$480,239	$245,342
Expenses, etc......	53,053	20,611
Net earnings......	$427,186	$224,731
Fixed charges.....	281,250	*87,430
Net income........	$145,936	$137,300

*Interest for 6 months ending June 30, charged to construction account.

Of the capital stock of $10,500,000 the Laurentide Co. holds $7,200,000, in return for water powers, rights, property, etc., which it transferred to the power company. Thus of the approximate net income of $205,000 for 1917 about $140,000 would be accumulating to the credit of the Laurentide (Paper) Co.

CANADIAN WESTERN GAS.

The August statement of the Canadian Western Natural Gas, Light, Heat and Power Company shows a slight decrease in earnings as compared with July but an increase of $1,655 over August of 1916. For eleven months of the fiscal year to August 31, earnings totalled $944,521 and showed an increase of $88,423. Following are comparative figures for 1917 to date:—

	1916	1917		Change
January	$152,540	$141,748	—	$10,792
February	132,282	138,496	+	6,214
March	95,689	114,311	+	6,214
April	65,237	65,598	+	8,886
May	56,712	65,598	+	8,886
June	45,556	48,461	+	2,905
July	30,209	35,331	+	5,122
August	33,577	35,232	+	1,655

SHAWINIGAN.

With a fair volume of trading, considering the restrictions, Shawinigan has held firmly at its minimum of 107 this week. This price compares with 130 at the first of the year, and is an example of the readjustment which has taken place in the investment market in the interval. There has been nothing indicated by the company's operations and earnings to warrant anything like the decline which has taken place.

CONSUMERS GAS.

Although there have been few transactions in Consumers Gas this week, the price of 148, at which sales were made, is satisfactory, considering the minimum of 147. The stock of this concern is another of those securities which has suffered from the readjustment of investment values rather than by any undermining of earning power or future prospects.

TRANSPORTATION

American Rate Case May Have Bearing Upon the Situation in Canada.

In the hope that the action of the Interstate Commerce Commission with regard to the re-opened application of the American railroads for an increase of 15 per cent. in freight rates may have some bearing upon the attitude of the Canadian Railway Commission with regard to the Canadian roads, the hearing at Washington is being followed with interest. Late advices, which appear elsewhere in this issue, indicate that objection is being withdrawn by the big shipping interests, and there is a sentiment growing in favor of allowing the roads such revenues as will permit them to play their full part in winning the war. On this ground there may be even larger increases granted temporarily than those asked, and in this connection the possibility of higher rates for passenger traffic is being discussed.

The last ten days of October were so productive of traffic for the Canadian railroads that the total for the month surpassed in gross earnings all previous records for a single month. This new high record now stands at $24,379,125, over $600.000 more than the previous record established in May last with $23,709.306, which in turn had beaten the previous record of October last, of $22,479,121.

While Canadian Pacific had been the weak element in July and August the last six weeks have brought its figures up so that it was the main factor in the October statement with a gain of over 11 per cent. as compared with one year ago. The comparisons for the three roads with the figures of 1916 are as follows:

	Oct., 1917	Increase	P. C. Gain
C. P. R.	$14.593.000	$1,491.000	11.4
G. T. R......	5,844,525	94,574	5.2
C. N. R......	1,350,200	178,200	15.2
	$8,274,866	$1,091,774	15.2

Taking the figures for the same month for the last seven years it is seen that while this year stands high

Continued on page 5.

Just Out—CITY OF CALGARY—Just Out

Province of Alberta

Sale of tax certificates. First offering to the investing public of absolutely sound and first-class securities in form of certificates covering delinquent taxes up to and including the year 1915, three-year maturities subject to redemption during their currency by any person interested in property. These certificates bear interest at option of bidder thereon up to 10%, lowest bid to be given first consideration. Bids opened 21st day of November, 1917, at 10 o'clock a.m. Issued under authority granted by Legislature Province of Alberta. Further particulars and classified list of properties on application to City Treasurer and J. M. Miller, City Clerk, City Hall, Calgary, Canada.

The Military Service Act, 1917

DON'T DELAY!
Do It TO-DAY

THE MILITARY SERVICE ACT is passed; the Proclamation issued October 13th. It is now the bounden duty of every man in Class One to report for service or claim exemption. This includes all bachelors and widowers without children (not otherwise excepted) who were 20 years old on the 13th October, 1917, and whose 34th birthday did not occur before January 1st, 1917.

What To Do

Go to your Post Office and ask for the form for reporting for service or claiming exemption. The form contains clear instructions for filling in. Do this not later than NOVEMBER 10th.

Beware of the Last Minute Rush

With so many thousands of reports and claims to be dealt with, the rush of Class One Men will grow heavier day by day. You will waste less of you time and serve your own best interests if you avoid the inevitable rush on the last days.

The law is being enforced with the Government and the People firmly behind it. Obey the law. Do it to-day.

321

Issued by
The Military Service Council

SHOUPERIOR Autographic Registers

SAVE TIME, LABOR & MONEY

In the execution of business records

NO matter what your business, whether manufacturing, wholesaling, or retailing, whether large or small, you can save time, reduce labor, and cut expenses by adopting the "Shouperior" System of Autographic Registers.

It entirely supersedes the time-worn method of executing business records by means of padded forms, duplicating books, loose sheets, and carbons, wherever they are required in multiple sets. It not only offers greater speed, convenience and economy in operation, but ensures absolute protection of records.

Write and tell us the nature of your present system, enclosing sample of forms you are now using. Without obligation we will gladly demonstrate the "Shouperior" System in comparison with the system you are now employing.

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AUTOGRAPHIC REGISTER CO. OF CANADA LIMITED
MONTREAL TORONTO WINNIPEG

7

Overland
TRADE MARK REG.

HERE is the safest way to buy your new car: Find the name Overland on the radiator—then stop right there!

This little symbol of motor car satisfaction insures the finest materials, designs and construction.

It guarantees all the essentials of complete satisfaction, *performance, economy, comfort, and beauty* combined in an easy to handle car.

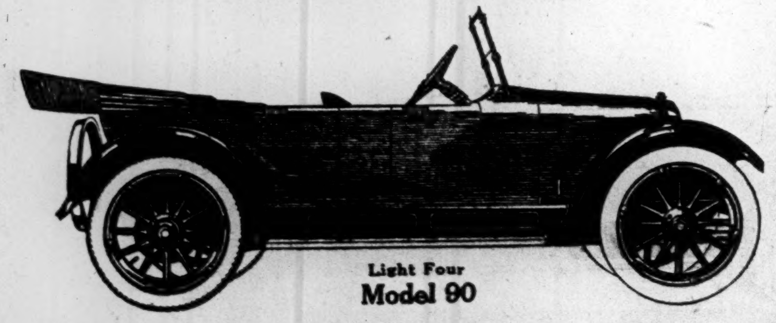
More than 80,000 Model 90 Overland cars, already sold, vindicate every claim made for its exceptional efficiency, easy riding and comfort.

It has the powerful and faithful Overland 32-horse-power motor; 106-inch wheelbase, buoyant cantilever rear springs; Auto-Lite starting and lighting, vacuum gasoline system, and 31 x 4 inch tires, non-skid rear.

If your choice is a light, small economical car, it will pay you to look into the merits of this Model 90 Overland.

The Overland Sales Co., Limited, Distributors
94-100 Richmond St. W.
TORONTO

Willys-Overland, Limited
Willys-Knight and Overland Motor Cars and Light Commercial Wagons
Head Office and Works, West Toronto, Ontario



Light Four
Model 90

The Russian people have subscribed $2,000,000,000 to the second Liberty Loan. The Minister of Finance has decided upon the establishment of a tea monopoly, which is expected to produce an annual revenue of $200,000,000.

Latest official returns place number of women in England directly engaged in war work at 1,071,000.

An Important Advantage

The Company is close enough to the client to enter fully into his aims and feelings.

Yet it is removed from the immediate circle of his family and friends.

It can therefore remain strictly impartial, keeping the client's wishes as its sole guide, without giving more than due weight to the sometimes conflicting judgments of others.

National Trust Company Limited
Capital Paid-up, $1,500,000 Reserve, $1,500,000
18-22 KING STREET EAST, TORONTO.

THE MOLSONS BANK

Sixty-Second Annual General Meeting of Shareholders.

The Annual Report placed before the Shareholders by Mr. Edward C. Pratt, General Manager of The Molsons Bank, showed that the net profits for the year ending September 29, 1917, after making ample provision for Bad and Doubtful Debts, amounted to $615,514.94.

An increase is shown of over $1,800,000 in Circulation and over $2,600,000 in deposits.

On the other side of the Balance Sheet: Current Loans show an increase of $415,000. The Dominion and British Government Securities show an increase of $3,500,000. The continued decrease in price of high class securities necessitated taking $75,000 from the year's profits to provide for the depreciation. Those held now stand on the books at less than their present market value.

The following gentlemen were re-elected to the Board of Directors: Wm. M. Birks, W. A. Black, E. J. Chamberlain, George E. Drummond, S. H. Ewing, Wm. Molson Macpherson, F. W. Molson.

GENERAL STATEMENT

Of the Affairs of The Molsons Bank on the 29th September, 1917

LIABILITIES.

Capital Stock paid in			$ 4,000,000.00
Reserve Fund		$ 4,800,000.00	
Profit and Loss Account		151,826.40	
148th Dividend for ¼ year at 11 p.c. per annum		110,000.00	
Dividends unpaid		1,017.00	
			5,062,843.40
Notes of the Bank in circulation		6,653,453.00	
Deposits not bearing interest		6,845,026.35	
Deposits bearing interest, including interest accrued to date of statement		41,572,946.06	
Balances due to other Banks in Canada		422,840.71	
Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries		120,893.69	
Acceptances under Letters of Credit		1,068,944.65	
Liabilities not included in the foregoing		33,271.11	
			56,717,375.57
			$65,780,218.97

ASSETS.

Current Coin	$ 549,959.01		
Dominion Notes	5,784,998.25		
		$6,334,957.26	
Deposit in the Central Gold Reserves		1,750,000.00	
Deposit with the Dominion Government to secure Note Circulation		217,000.00	
Notes of other Banks		401,742.09	
Cheques on other Banks		2,076,189.05	
Balances due by other Banks in Canada		44,629.35	
Balances due by Banks and Banking Correspondents elsewhere than in Canada		1,659,286.10	
Dominion and Provincial Government Securities not exceeding market value		5,208,896.34	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities, other than Canadian		5,925,421.14	
Railway and other Bonds, Debentures and Stocks, not exceeding market value		1,067,208.01	
Call and short (not exceeding thirty days) loans in Canada on Bonds, Debentures and Stocks		3,822,985.70	
			$28,508,315.04
Other current Loans and Discounts in Canada (less rebate of interest)		33,422,547.78	
Liabilities of Customers under Letters of Credit as per contra		1,068,944.65	
Real Estate other than Bank Premises		101,729.52	
Overdue Debts, estimated loss provided for		39,461.94	
Bank Premises, at not more than cost, less amounts written off		2,285,000.00	
Mortgages on Real Estate sold by the Bank		4,469.69	
Other Assets not included in the foregoing		349,750.35	
			37,271,903.93
			$65,780,218.97

PROFIT AND LOSS ACCOUNT.

Statement of the result of the business of the Bank for the year ending 29th September, 1917:

Balance at credit of Profit and Loss Account, 30th Sept., 1916	$ 127,619.71
Net profits for the year after deducting expenses of management, reservation for interest accrued on deposits, exchange, and provision for bad and doubtful debts	615,514.94
	$ 743,134.65
This has been appropriated as follows:	
145th Dividend at rate of 11 per cent.	$ 110,000.00
146th " " 11 "	110,000.00
147th " " 11 "	110,000.00
148th " " 11 "	110,000.00
Contribution to Officers' Pension Fund	21,308.25
Patriotic and Relief Funds	15,000.00
War Tax on circulation	40,000.00
Reserve for depreciation of Bonds	75,000.00
	$ 591,308.25
Leaving at credit of Profit and Loss Account, 29th Sept., 1917	$ 151,826.40
	$ 743,134.65

WM. MOLSON MACPHERSON,
President.

EDWARD C. PRATT,
General Manager.

AUDITORS' REPORT.

We have checked and verified the Cash, Investments, and Securities of The Molsons Bank at the Chief Office in Montreal on 29th September last, and also at another time as required by the Bank Act, and we have at different times during the year checked and verified the Cash and Securities held at other important Branches of the Bank.

We have compared the Certified Returns from all the Branches with the entries in the Books at the Chief Office of the Bank as at 29th September, 1917, and find that they agree therewith; and all the transactions which have come under our notice have been, in our opinion, within the powers of the Bank.

We have obtained all the information and explanations we have required, and we certify that in our opinion the above Statement is so drawn up as to exhibit a true and correct view of the Bank's affairs at the close of business on 29th September, 1917, according to the best of our information and the explanations given to us, and as shown by the Books of the Bank.

(Signed)
GEORGE CREAK, C.A., LEMUEL CUSHING, C.A., CHAS. A. HODGSON, C.A.
20th October, 1917.

At a subsequent meeting of the Directors Mr. William Molson Macpherson was re-elected President, and Mr. S. H. Ewing, Vice-President for the ensuing year.

NEWS OF SECURITIES

Continued from page 5

by a margin of nearly $2,000,000, the lowest was in the fall after the declaration of war, when the earnings dropped to a little over $16,000,000. Indeed, the 1913 figures were almost equal to those of 1916. These ran as follows:

Year	October
1917	$24,379,125
1916	22,479,121
1915	21,458,391
1914	16,134,717
1913	22,093,744
1912	20,213,154
1911	17,610,668

A comparison of the returns of gross earnings for each month of the present year shows that the figures for 1916 were exceeded in all except the month of August. January and May showed the largest percentage gains, over 18, as compared with 8 per cent. advance for October. The monthly returns with the increases in amounts and in per cent. are as follows:

Month—	Total,1917	Increase	%
Jan.	$17,450,888	$2,726,672	17.5
Feb.	15,043,606	375,691	2.5
March	19,967,437	2,623,194	15.1
April	20,236,111	2,158,306	11.9
May	23,709,303	3,755,467	18.8
June	23,281,719	3,441,546	17.4
July	22,771,680	1,825,119	8.7
August	21,449,020	866,256	3.9
Sept.	21,077,092	406,366	2.0
October	24,379,125	1,900,004	8.5

CANADIAN NORTHERN RAILWAY.

The new relations of the Canadian Northern Railway system and the Government has caused no slackening of the work upon the terminals in Montreal. There rather has been renewed activity. Two whole blocks are being excavated, by means of three steam shovels and the earth is being carried through the tunnel by two trains of eight cars each. The cut, which extends between Dorchester and Lagauchetiere Sts., will continue open, and five tracks will run in a fan shape out from the tunnel openings, and be protected by umbrella sheds. Two tracks will run on down to the water front to which the railway owns a right of way. If the original plans are accepted the terminals, station and hotel will occupy the whole of the two blocks.

Speaking to THE FINANCIAL POST the contractor for the excavation, Angus Sinclair, stated that the excavation of the earth, 275,000 cubic yards, would be completed by Dec. 15, while the rock work [illegible]5,000 yards, would not be ready until the first of May. Another month would be required to finish the trackage, so that trains could not be running through the tunnel until June 1. It is probable that the Government will decide to use the C. N. R. station for the Intercolonial as well. This road at present joins the Grand Trunk at St. Lambert and comes in along that line into the city.

Gross earnings of the Canadian Northern Railway system for the last ten-day period of October amounted to $1,350,200 compared with $1,172,000 for corresponding period in 1916, an increase of $178,200 or 15.2 per cent. For the month of October the earnings totalled $3,941,600 against $3,716,800 in 1916, an increase of $224,800 or 6.0 per cent. Comparative figures for the month follow:—

	1917.	1916.	Inc.	%
Oct. 7	$758,500	$857,400	*$98,900	11.6
Oct. 14	969,600	847,700	112,900	13.3
Oct. 21	872,300	839,700	32,600	3.8
Oct. 31	1,350,200	1,172,000	178,200	15.2
	$3,941,600	$3,716,800	$224,800	6.0

* Decrease.

From July 1, to October 31, the earnings amounted to $14,533,400 compared with $14,423,800 in 1916, an increase of $109,600.

The status of the Canadian Northern $25,000,000 5 per cent. income debenture stock in relation to the transfer of the system to the Government by the purchase of the common stock is of much concern to holders who paid in the neighborhood of par, and in some cases considerably above, for their investment. Briefly, the position of the stock appears to be this. It is a twenty-year income stock secured by conditional mortgage. At the expiration of the period referred to it becomes an obligation of the company and, as the company is now controlled by the Government, there would appear to be no reason to doubt that the debt will not be fully met. In the meantime the dividend is a matter of earnings. At present there is no "income" and therefore no dividend. A few days ago at a meeting of the directors of the company the matter of a dividend was up for consideration and payment passed. In the meantime, for a year or so, the stock is convertible to common. However, in view of the fact that the maximum price in the Government negotiations has been fixed at $10,000,000 for the $60,000,000 of stock outstanding, it is not likely that there will be any effort on the part of shareholders to make an exchange. In fact there is a question as to whether there is provision made for such a contingency in the present agreement between the company and the shareholders. So far as the change to the Government is concerned it would appear that the security as to repayment may have been improved thereby, but that the probability of interest return has been reduced, as the road under Government control is not likely to make the profits which would be the case under private ownership, particularly as the political tendency will naturally be to keep the charges to the public at the minimum. That such a stock sold at the figures referred to is only another indication of the wild optimism which prevailed a few years ago. The attraction to the investor was, no doubt, the convertibility clause and the common stock must have loomed upon the buyer's horizon as something in C.P.R. class.

GRAND TRUNK.

The Grand Trunk Railway's gross earnings for the last ten-day period of October amounted to $1,935,666, compared with $1,841,092 for the corresponding period in 1916, an increase of $94,574 or 5.2 per cent. For the month the earnings were $5,844,525 against $5,660,821 in 1916, an increase of $184,204 or 3.3 per cent. Following are comparative figures:—

	1917	1916	Inc.	%
Oct. 7	$1,342,050	$1,319,090	$22,960	1.7
Oct. 14	1,312,505	1,300,095	12,410	.9
Oct. 21	1,254,304	1,200,044	54,260	4.5
Oct. 31	1,935,666	1,841,092	94,574	5.2
	$5,844,525	$5,660,321	$184,204	3.3

For the week ending October 14, the gross earnings of the Grank Trunk Pacific Railway amounted to £35,096 compared with £22,902 for the corresponding period a year ago, an increase of £12,194, while from July 1, to October 14, the earnings were £379,110, an increase of £116,394.

New York despatches report that the Grand Trunk is paying off the $4,000,000 5 per cent. two-year gold notes due November 1st and issued two years ago. No attempt was made at renewal.

CANADIAN PACIFIC.

Gross earnings for the last ten-day period of October of the Canadian Pacific Railway totalled $4,989,000 compared with $4,170,000 for the corresponding period in 1916, an increase of $819,000 or 19.6 per cent., and is a record for any similar period reported thus far this year. For the month the total was $14,593,000 against $13,102,000 in 1916, an increase of $1,491,000 or 11.4 per cent. Following are comparative figures:—

	1917.	1916.	Inc.	%
Oct. 7	$2,842,000	$2,966,000	*$124,000	4.2
Oct. 14	3,333,000	3,034,000	299,000	9.8
Oct. 21	3,429,000	2,932,000	497,000	16.9
Oct. 31	4,989,000	4,170,000	819,000	19.6
	$14,593,000	$13,102,000	$1,491,000	11.4

* Decrease.

The Conciliation Board which was established by the Minister of Labor to consider the dispute between the Canadian Pacific Railway Company and its trainmen is now complete. Isaac Pitblado, K.C., will represent the Company; David Campbell, the men, and the former Judge H. A. Robertson, K.C., has been chosen chairman. All three live in Winnipeg.

Canadian Pacific has, like many other stocks active on the American market, had its ups and downs this week, but the net change has been some improvement over the low of last week. Arguments have been advanced to show that C.P.R. at the low figure referred to has a number of attractive features from the investment standpoint. It has been pointed out that the total war debt in outstanding bonds now amounts to only $326,000,000, or less than $41 per capita.

Light is thrown on the earnings by the following figures showing the surplus over dividends for the years ending June 30, 1915 and 1916, and for the six months ending December 31, 1916, the company having changed its fiscal year to end December 31 instead of June 30:

	Half year to Dec. 31, 1916.	Year to June 30, 1916.	Year to June 30, 1915.
Ttl. income	$37,290,118	$59,166,875	$42,924,807
Fix. charges	5,132,551	10,306,196	10,446,510
Sur. for divs.	30,813,495	46,812,390	32,478,297
Pref. div.	1,613,630	3,227,277	3,169,900
Surplus for com. div.	29,199,857	43,585,113	29,308,391
Com. div.	13,000,000	26,000,000	26,000,000
Surplus over all divs.	16,199,857	17,585,113	3,308,391

A Wall Street opinion reads: "As to Canadian Pacific stock itself, there is no cause for alarm. Canada has its labor troubles, but they are not new and differ only in degree from old ones. We have grown so fast we have always suffered from labor shortage, but we have always succeeded in keeping things on a working basis; have been remarkably free from riots and disorders, and but few of our industrial disputes have figured in the courts. We have political difficulties here, but they are personal rather than on lines of principle, and no one looks for any essential change as a consequence of the coming Dominion election."

CANADA STEAMSHIPS.

There was a revival of demand for Canada Steamships common on Thursday afternoon, but the minimum of 39¼ was not lifted. There were at the same time renewed reports of dividend probabilities in the near future. Steamships has been one of the most consistent performers in the speculative group this year. Opening at 35 in January it moved up more or less consistently until August, when it struck 45⅝, since which time there has been some readjustment. The fact that the stock is now 4 points higher than at the first of the year indicates a real improvement of much greater proportions, as in the interval there has been a general readjustment of values which would naturally have brought about a considerable decline. There has been considerable trading in the preferred at the minimum, 76.

TEXTILES

Less Activity This Week, But Strength Was Maintained—Australian Wool Nearer.

There was less activity in textile securities this week than last, and as was to be expected, the most of the trading was at the minimum figures. Two textile stocks this week, however, sold above the minimum, and this in itself, with the general tendency to hug the schedule very closely, must be considered as a favorable factor. Naturally, too, the minimum operates to lessen sales.

Among the various mills new business is reported as quiet. It is for the most the off season between the closing out of placing orders for next spring and the opening up of new business on the basis of price lists for fall, 1918. One mill has started out with fall lines, and most of the others will be ready in a few weeks. The continued strength of the raw cotton market and the scarcity of wool in the United States and England, as well as Canada, will tend to make the position of the mills more assured in offering their new fall lines to the trade. Another factor that will undoubtedly operate to the advantage of the Canadian mills, woolen as well as cotton, is the impression that the mills in the United States will be so occupied with filling war orders for their Government that they will have difficulty in satisfying the requirements of the home market, which would lessen the quantity that would be available for export to Canada. As Canadians have had to depend more and more upon the United States mills for both cottons and woolen goods the last year and more, there should be more demand for the next season upon the Canadian mills.

The raw cotton market has been slightly firmer this week, to the extent of about half a cent a pound. There is a growing feeling that the Southern holders of cotton are determined to stand pat until the mills are willing to pay them the 30 cents a pound that they claim is owing them under present conditions. The wool market may be eased up both for the United States and Canada by the arrival in a week or two of Australian shipments that will be auctioned off at Boston, much after the manner of the London wool sales.

	Close Nov. 1	Close Nov. 8	Change
Can. Cot., com.	48½	49	+ ½
Do., pref.	75	76	+1
Dom. Tex., com.	80¾	80¾	...
Do., pref.	100	100	...
Mon. Knit., com.	30	30	...
Mon. Cot., pref.	100	100	...
Penmans, com.	65	66	+1
Do., pref.	81⅞	81⅞	...

CANADIAN COTTONS.

So far as new business is concerned this is the regular dull season for Canadian Cotton, with Spring orders nearly all covered in so far as placing in advance is concerned, and Fall prices and lines not yet ready for the jobbing trade. The recent advance in prices, as was anticipated, failed to awaken any keen buying, as stocks in staple lines are fairly heavy. The mills are filling in on the United States business which will last for months.

In spite of the minimum of 48½, Canadian Cottons common sold up ½ point to 49. Preferred remains at 75.

CANADIAN CONVERTERS.

High prices and uncertainties of the markets, or the attitude of the jobbers and the trade generally, have not deterred Canadian Converters from bringing out

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NEWS OF SECURITIES

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their new lines for Fall, 1918, right on a before-the-war schedule, quite as early as in normal times. Speaking to THE FINANCIAL POST the President James Gordon stated that the early indications were very encouraging and that orders were ahead of the corresponding period of last year. There was some apprehension that buying would be cut down considerably in view of high prices and good stocks that were considered to be held, so that the sales so far should presage an excellent season. All reports as to the company's business uphold the action of the directors last March in restoring a 4 per cent. dividend.

PENMANS.

Although there is a movement in the United States to delay the "opening" of Fall prices (for 1918) for weeks or even months, owing to the lack of wool, and definite knowledge of what is before the mills, THE FINANCIAL POST is informed that Penman's will be ready next month with the new Fall prices and go out to the trade. Nearly all the lines that were available for Spring have been disposed of, although latterly there was not the active buying that was anticipated a few months ago. It is stated that for the immediate present no new orders are in sight from the United States for war purposes, but some are looked for very shortly.

The common advanced 1 point above the close of last week, 65, and sold readily at 66. Preferred was steady at 81⅞.

DOMINION TEXTILE.

There was little activity this week in Dominion Textile securities, preferred and common both holding the same as last week, 100 and 80¾ respectively.

OTHER STOCKS

Minimums Have Checked Trading Generally, But a Few Stocks Have Moved Out.

With the minimum prices generally restricting trading there has been even less activity on the Canadian exchanges than during the recent weeks. However, there is evidence that the minimums have given a stability to the situation which might otherwise have been lacking under such demoralising influences from outside sources. Not only have there been a number of stocks which have made a very fair showing at the minimum, but there have been one or two which have developed strength.

The opinion of many students of the situation is that the bottom must surely be close at hand now, but this is an opinion that has been held for weeks. However, it does not alter the general conviction that there are many of the better investment stocks which are selling at prices much below their intrinsic worth and that they present splendid investment attractions at the current quotations. Investment opinion is undoubtedly very unsettled and nervous and it would appear that war-end readjustments have been more than discounted.

AMES-HOLDEN-McCREADY.

Prospects are bright for a good Government order for Ames, Holden, McCready in the next few weeks as a result of a conference between the shoe manufacturers of Canada and the Militia Department, which is referred to in another article. This order may include not only the regular shoes that have been worn by the Canadian Expeditionary Force in Canada and England, but also the "trench" boots. It is proposed to order equipment for the whole of the 100,000 who will be called up. Apart from this new business the domestic orders of Ames-Holden-McCready, according to the general manager, N. R. Feltes, continues to run far ahead of last year. A very satisfactory report was brought back this week by the sales manager after a tour of the West.

The Ames, Holden, McCready Company is naturally very much interested in the report of new Government business for boots for the recruits being drafted to the militia and a substantial portion of such orders, if placed, will no doubt come to this concern's plants.

ATLANTIC SUGAR.

The action of Atlantic Sugar last week in announcing a drop of 10 cents per cwt. in the price of sugar has not only resulted in a rush of orders from the trade, but would appear to have had a beneficial effect on the general situation. That is, before the decline in "Lantic," there were fears of a famine in sugar for Canada, especially as this view was supported and even created by despatches from the United States, but the action of the Atlantic Refineries has impressed the trade with the probability that matters cannot be as serious as they had thought or there would have been an advance rather than a decline. Hence, although more orders have been coming in to Atlantic from many new quarters, in general, the near panic seems to have been allayed. The Atlantic Refineries continue to supply the trade in small quantities. The reports from the United States in regard to supplies of raws next month are improving, although the situation in regard to the possibilities of a heavy export trade for Canada in the coming year are still very uncertain.

ASBESTOS CORPORATION.

The business of the Asbestos Corporation of Canada, according to an official, is in a very healthy condition. THE FINANCIAL POST was informed that labor troubles were cutting down the output. Not that the company has to contend with a strike like last year, but a condition, the scarcity of labor that is proving equally effective in curtailing the output far below the business that could be handled. With the keen demand for asbestos, much of it for war purposes, the extra costs of producing are well absorbed in the increased prices that govern. There has been no movement in the stock this week, but last week was fairly active at 15, an advance of 3 points over the previous week.

BELL TELEPHONE.

A few sales of Bell Telephone have taken place this week at the minimum, 130, indicating practically no change in the situation since the decline of the latter part of September and the first weeks of October.

CANADIAN ROGERS.

It is reported to the FINANCIAL POST that the business of this company continues on a very satisfactory basis. In fact not only did the business of October show a new high record as regards deliveries, but a new record also in relation to orders received. That such a showing has been made at this season of the year when activity generally centres in shipments rather than in new business is an indication of the prosperous conditions existing in the silver plate trade. As regards net returns, there are of course many factors at work to increase the cost of production, including labor, raw material, etc. However, business generally is showing what is regarded as a satisfactory margin in the net earnings.

CANADIAN FORD.

Stock of the Ford Motor Company of Canada, which one year ago was traded in on the Detroit Stock Exchange at $310 per share, was recently quoted at $200 bid and $202 asked.

CANADA BREAD.

The tendency of Food Controller Hanna to follow in the steps of the food administration in the United States makes it of interest for shareholders of Canada Bread Company to note that Washington announces direct action to control the price of bread and to fix the size of a standard loaf with all bakers under a licensing system to be administered by Mr. Hoover. There is evidently a hope that reduction in price to the consumer may result.

CANADA CEMENT.

Canada Cement is one of the stocks in which there has been a comparatively good volume of business this week considering the peculiar conditions prevailing. Several hundred shares have changed hands at the minimum 57, and fractionally above, as high as 57½ having been reached. In the preferred there have been some sales at 90, the minimum.

CANADIAN GENERAL ELECTRIC.

Although this stock moved up to 103 last week, as compared with a minimum of 101½, the improvement did not last and the only sales this week were at the latter figure. Business was very light, but 10 shares being dealt in.

CANADA BREAD.

Canada Bread common is not listed with the minimum stocks on the Toronto Exchange according to the official list. This week the first sales of the past couple of weeks took place at 14, which is unchanged from the last. Conditions as regards the company's operations continue more or less uncertain in view of the activities of the Food Controller, but, for the time being, show little or no change.

CITY DAIRY.

The prices of 30 for the common and 60 for the preferred, which have figured in all the sales of City Dairy securities this year, have been established as the official minimum. There have been no transactions this week and the prices referred to are being bid without interesting holders.

CANADIAN WESTERN LUMBER.

The August statement of the Canadian Western Lumber Company shows a heavy decline in volume of business. Sales totalled 9,331,366 ft. as compared with 16,408,017 ft. in August, 1916. However owing to the much higher prices prevailing, there was a comparatively small falling off in the price realized, the total being $230,218 compared with $252,919 in 1916. The amount of lumber manufactured during the month was 11,189,509 ft., a decrease of 1,642,605 ft. For the year to date there is an increase of 5,745,813 in feet manufactured, an increase of 4,252,793 in feet sold and an increase of $517,425 in price realized. Following are comparative figures:—

	1916		1917	
	Feet Sold	Price Realized	Feet Sold	Price Realized
Jan. ...	3,675,657	$46,575	9,260,150	$150,542
Feb. ...	6,321,334	85,513	7,178,641	120,561
Mar. ...	12,748,836	188,188	10,674,405	188,846
Apr. ...	11,764,583	180,880	11,504,155	207,262
May ...	10,543,375	163,067	14,641,476	279,240
June ...	11,364,383	166,199	14,819,166	319,609
July ...	13,140,683	199,685	12,810,052	344,503
Aug. ...	16,408,017	252,919	9,331,366	230,218

CONSUMERS' GLASS CO.

The complete organization of the Consumers' Glass Co. was announced this week. In addition to the names of the president and vice-president, F. P. Jones and Henri Jonas, as stated in THE FINANCIAL POST last week, Arthur Lyman, J. A. Kirkpatrick and M. E. Williams have agreed to act as directors. The million-dollar stock issue will be divided into $500,000 cumulative 7 per cent. preferred and $500,000 common.

DOMINION CANNERS.

Indications are that this company will be able to make a very fair showing this year despite the lamentable shortage in the staple lines of canned goods. Peas, beans, corn and tomatoes, hardly showed an average pack of 25 per cent. Against this, however, must be set the fact that the prices obtained for these goods this year are very high, and should show a profit if the actual overhead charges do not prove too great. This is a serious item, however. Some factories have run at an enormous loss because the pack was not sufficient to keep them going at capacity. One factory that cost $50,000 to erect is only equipped to handle tomatoes. This product this year was practically a negligible quantity in that section. One of the officials of the Dominion Canners remarked that "those tomatoes would cost about $300 a case." While this was of course not a real statement of the situation, there was enough truth in it to show how serious an element the overhead charges on factories that have been able to produce comparatively little, will be in the general financial situation of the company. On the other hand the handling company, the Canadian Canners, have had a comparatively successful year. They have been able to put up a fair sized pack, and with the gilt edged prices they will make some money, which will be another factor in helping to produce a fairly satisfactory balance sheet for the Dominion Canners.

GOULD MANUFACTURING.

For the preferred and common stocks of the Gould Manufacturing Company the minimum prices are fixed at par. There have been no sales recently, but the figures quoted represent the market value which has been indicated in the few transactions this year.

IMPERIAL TOBACCO.

The directors of the British American Tobacco Company have decided to abandon the proposal to distribute among their shareholders ordinary shares of the Imperial Tobacco Company of Canada, says the London *Times.* This decision has been arrived at partly for the reason that the sanction of the Treasury to the distribution was unlikely to be obtained during the continuance of the war, but also, it is stated, because of the company's increased capital requirements. There has been, it is stated, an enormous increase in the cost of leaf tobacco, amounting in many cases to at least 100 per cent., as compared with a year ago, and this has rendered it necessary to employ some millions of additional working capital.

MACKAY.

Mackay common, which was as high as 76 last week, has suffered a considerable break recently, and has sold down to 71, with late transactions at 72. The preferred at 61 shows practically no change. It is difficult to figure why there has been such a material change in this stock, but then there are many changes taking place at the present time which do not seem to have adequate explanation other than the unsettled state of the market and the apprehensive attitude of public opinion.

MACDONALD.

Some 70 shares of A. Macdonald common changed hands this week at 13½, the minimum figure which has been set for this stock. Reports as to the business activities of the company continue satisfactory.

NATIONAL BREWERIES.

The fiscal year of the National Breweries closed on Oct. 31, although it will be the beginning of the new year before the details of the business will be available, according to the Managing Director, N. J. Dawes. "We are satisfied with the output during the year," he told THE FINANCIAL POST. It is understood that in view of the prohibition vote in the city of Quebec, which goes into effect on May 1, and in view of a possibility of the campaign being extended to Montreal, that there will be little said in regard to a dividend on common. Nothing has been paid on the $2,254,300 of common, while the preferred of $2,775,000 bears 7 per cent. The trading profit for last year was $446,002, and the profit and loss surplus on Oct. 31, 1916, was $631,034.

One of the directors in commenting on the Quebec result, remarked that when the bars closed it would be the distillers rather than the brewers that would benefit by "blind pigs."

WM. A. ROGERS.

The minimum for Wm. A. Rogers common has been set at 40. This figure has been asked for some time, but there have been no transactions since April, when the last figure quoted was 65. For the preferred the minimum is 85; last sales in June were at 90. Reports regarding the operations of the company indicate that the volume of earnings continues to show new high records, but there are many factors which are interfering with the net return. Labor, materials and other costs of production are at record high levels and cut deeply into the margin of profit.

RUSSELL MOTOR.

No fresh developments have occurred during the week in connection with the operations of the Russell Company. Work is in progress getting the new Buffalo plant in shape to start in on the contract from the United States Government. In Toronto, the company is now restricted to its one contract on six-inch shells and the plant at this point is being prepared to handle this new size. At the Canada Cycle & Motor Company's plant at Weston, conditions are normal, with all departments fully occupied.

A few shares of common changed hands during the week at the minimum of 50, but there have been no transactions in Russell preferred.

SAWYER-MASSEY.

There have been no transactions in Sawyer-Massey securities for some time. For the common 11 is being asked against 8 bid and for the preferred 48 is asked against a minimum of 40 and no bids recorded. Shareholders of this and other concerns manufacturing agricultural implements are watching with interest the political developments and their relation to the tariff on American imports.

SMART-WOODS.

A spectacular feature of a dull week in Montreal was the advance of Smart-Woods common from its minimum of 53½ to 55 and then up to 61, with the greater portion of the gain maintained. The preferred sold at its minimum of 86. The spurt in the common was accompanied by a repetition of dividend talk which has been heard from time to time and this caused quick action in a stock of which there is only a comparatively small amount floating.

FRIDAY'S PRICES.

Following are Canadian stock transactions at Friday morning's session:

	High	Low
Monarch	30	30
Steamships	39½	39¼
Do., pref.	76	76
Dom. Steel	52¾	52⅝
Can. Bread	13	13
Toronto Rails	60	60
Mackay	72	72
Con. Gas	147	147
Nipissing	780	780
War Loan (1931)........	95⅞	95⅞

The second Liberty Loan was oversubscribed by $1,617,532,300, according to the statement made public this week at Washington by Secretary of the Treasury McAdoo. In all there were 9,400,000 subscribers to the loan, which is particularly gratifying as indicating that the government has the support of the country in its war measures. The total subscriptions to the loan were $4,617,532,300. Of this amount 50 per cent. over the minimum of $3,000,000,000 will be allotted, which will amount to $3,808,766,150.

PREPARING FOR THE POST-WAR CONDITIONS

President of Molsons Bank Sounds Note of Caution in Annual Address.

In his address to the shareholders at their annual meeting held during the week William Molson MacPherson, president of the Molsons Bank, referred to the present business prosperity of the Dominion attributable to the expenditures for munitions and food supplies in connection with the war, and suggested the duty of business men to prepare for the change that will come when the war is over, so that they can weather a few stormy years, should they come. Mr. MacPherson said the banks had been doing all in their power towards financing the war, and would continue to do so, but it was better that the Government loans should be taken by the public rather than the banks; inflation would be avoided and the banks' resources would be free to finance the business of the country.

Eulogistic references were made by some of the shareholders to the efficient conduct of the bank's affairs, with particular reference to the good work done by E. C. Pratt, the general manager.

S. H. Ewing, vice-president, contributed some interesting comment on the strength of the bank's position. "Every account has been carefully looked into," he said, "and everything written down to rock-bottom. I do not think anything could be invented to write more off. The manner in which we have pulled through this year is extraordinary. We have pulled through it and the prospects are that we shall come out stronger than we entered into it."

The board of directors was re-elected without change.

A Washington dispatch says a Christiania (Norway) nickel factory is about to resume operations, and beginning with January will deliver 100 tons of product monthly to Germany.

Stock Movements of the Week

This table records securities active on the Stock Exchanges.
Week ending Nov. 8:

	Ask.	Bid.	High	Low	Close	Sales	Minimum Price
Banks—							
Commerce	185	...	185	185	185	27	185
Dominion	202	...	202	202	202	53	202
Imperial	185	...	185	185	185	31	185
Montreal	210	...	210	210	210	10	210
Royal	208	...	208	208	208	24	208
Union	140	139	138	138	138	6	138
Transportation—							
Barcelona	9	8¼	8½	8½	8½	30	...
Brazilian Traction ...	32	...	32⅛	32	32	1,357	32
Can. Steamships, com..	39¼	...	39¼	39¼	39¼	320	39¼
Can. Steamships, pref..	76	...	76	71	71	260	76
Canadian Pacific	134	132½	137	133½	134¾	108	...
Detroit United	104¾	...	104¾	104¾	104¾	235	101¾
Illinois Traction, pref..	...	80	80	80	80	10	80
Quebec R., L., H.	15	...	15	15	15	72	15
Toronto Railway	...	60	60	60	60	226	60
Twin City, com.	75½	...	76	73	73	65	...
Telegraph, Light and Power—							
Bell Telephone	130	...	130	130	130	22	130
Consumers Gas	148	147	148	148	148	56	147
Civic Invest.	68½	...	68½	68	68½	375	68½
Mackay, com.	72	...	74	71	72	260	...
Mackay, pref.	...	61	61	60½	61	50	...
Shawinigan W. & P. ...	107	...	107	107	107	280	107
Industrials—							
Abitibi Pulp & P., com.	48	...	48	48	48	5	48
F. N. Burt, pref.	86½	...	86½	86	86½	26	86
Canada Bread, com....	15	...	14	14	14	50	...
Brompton Pulp	39	...	39	39	39	524	39
Can. Cement, com.	57	...	57½	57	57	470	57
Do., pref.	90	...	90	90	90	72	90
Can. Car, com.	18½	...	18½	18½	18½	10	18½
Do., pref.	50	...	49½	49½	49½	35	49½
Can. Cottons, com......	...	49	49	48½	49	33	48½
Do., pref.	...	76	76	76	76	2	76
Can. Loco., com.	...	84½	84½	84½	84½	5	84½
Can. Gen. Elec., com..	101½	...	101½	101½	101½	10	101½
Dom. Bridge, com.	128	...	128	128	128	40	128
Dom. Iron, pref.	88	...	88	88	88	5	88
Dom. Steel Corp.	52¾	52½	54½	52	52¼	3,568	52
Dom. Textile, com.	80¾	...	80¾	80¾	80¾	14	80¾
Do., pref.	...	100	100½	100	100	32	100
Lake of the Woods	...	120¼	120¼	120¼	120¼	15	120¼
Laurentide	152	...	152	152	152	54	152
A. Macdonald, com. ..	13½	...	13½	13½	13½	35	13½
Maple Leaf, com.	98½	...	98½	98½	98½	104	98½
Do., pref.	93	92	92½	92¼	92¼	10	92
Ont. Steel, com.	...	22½	22½	22½	22½	5	22½
Ogilvie Flour, com. ...	...	140	140	140	140	135	140
Do., pref.	...	110	110	110	110	5	...
Penmans, com.	...	66	66	66	66	9	65
Do., pref.	...	81⅞	81⅞	81⅞	81⅞	30	81⅞
Price Bros.	...	120	120	120	120	5	120
Riordon Pulp, com.....	...	117¼	117¼	117¼	117¼	3	117¼
Riordon Pulp, pref. ..	...	92½	92½	92½	92½	5	92
Russell Motor, com. ..	...	50	50	50	50	35	50
Smart-Woods, com. ...	55	54	61	54	60	257	53½
Do., pref.	86	...	86	86	86	4	86
Span. R. Pulp, com....	14	...	13	13	13	15	13
Stl. of Can., com.....	50	49½	50	47½	49½	1,608	49½
Do., pref.	84½	...	85¼	84½	85¼	33	85¼
Wayagamack	...	50	50	50	50	5	50

Announcing New Series "E" McLaughlin

Leaders in All Points of Merit

The New McLaughlin Models Eclipse all Previous Standards of Beauty and Value

EVEN more graceful in design with greater power the new series "E" more than maintains the supremacy accorded "Canada's Standard Car" for eight successive seasons.

The famous McLaughlin valve-in-head motor develops more power than any other type of motor of the same bore and stroke, and develops this reserve power with the minimum gasoline consumption. Every mechanical feature of McLaughlin cars has been perfected to the same high standard of efficiency as the motor.

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McLaughlin "Light Six" Valve-in-Head Touring Car
E-6-62 is a Roomy Roadster Built on the Same Chassis
E-6-44 SPECIAL
Gentleman's 3-Passenger Valve-in-Head Roadster
E-6-44 Regular, Built on the Same Chassis
E-6-45 SPECIAL
McLaughlin 5-Passenger Valve-in-Head Touring Car
E-6-45 Regular, Built on the Same Chassis
E-6-46
McLaughlin 4-Passenger Valve-in-Head Touring Coupe
E-6-47
McLaughlin 5-Passenger Convertible Sedan
E-6-50
McLaughlin 7-Passenger Convertible Touring Sedan
VALVE-IN-HEAD McLAUGHLIN MOTOR CARS
E-6-49
McLaughlin 7-Passenger Valve-in-Head Touring Car

The McLaughlin Motor Car Co. Limited, Oshawa, Ont.

DIVIDENDS DECLARED.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND OF TWO-AND-ONE-HALF PER CENT., upon the paid up Capital Stock of this Institution, has been declared for the current quarter, also a BONUS OF ONE PER CENT., both payable on and after Saturday, the FIRST DAY OF DECEMBER next, to Shareholders of record of 31st October, 1917.

FREDERICK WILLIAMS-TAYLOR
General Manager.

Montreal, 19th October, 1917.

The Canadian Bank of Commerce

DIVIDEND No. 123.

NOTICE is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Bank has been declared for the three months ending 30th November next, together with a bonus of one per cent., and that the same will be payable at the Bank and its Branches on and after Saturday, 1st December, 1917. The Transfer Books of the Bank will be closed from the 16th to the 30th of November next, both days inclusive.

By order of the Board,
JOHN AIRD,
General Manager.

Toronto, 19th October, 1917.

The Royal Bank of Canada

DIVIDEND No. 121

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after SATURDAY the 1ST DAY OF DECEMBER next, to shareholders of record of 15th November.

By order of the Board,
C. E. NEILL,
General Manager.

Montreal, Que., October 16, 1917

ILLINOIS TRACTION COMPANY

NOTICE OF DIVIDEND No. 19.

A QUARTERLY Dividend at the rate of Three per cent. (3%) per annum on the Common Stock of the Illinois Traction Company has been declared for the Quarter ending Oct. 31st, 1917, payable Nov. 15th, 1917, to Shareholders of record Nov. 1st, 1917.

By order of the Board,
GEO. M. MATTIS,
Treasurer.

Champaign, Ill.

WINNIPEG RY. WILL APPEAL TO THE PUBLIC

Mr. McLimmont Tells The Financial Post of His Plans.

THE JITNEY COMPETITION

Policy Will Be to Prove to the People That Efficient Street Car Service is in City's Best Interests.

WINNIPEG.—In order to meet a situation where net earnings have fallen far below the mark where they would meet fixed charges, the Winnipeg Electric Railway Company, under the administration of A. W. Mc Limont, recently appointed general manager, will adopt a policy of public education with the idea of proving to the people that in the interests of the city it is necessary that the company should receive such treatment as to permit the maintenance of efficient service. Owing to jitney competition and increased costs of operating the various utilities without any increase in revenue, the company has been forced into a position where, without sufficient income to meet charges, the future is very black. THE FINANCIAL POST has approached Mr. McLimont with regard to his new policy and has discussed the various phases of the situation with him fully.

Naturally the first question put to Mr. McLimont was:—"What are you doing to defeat the jitneys?" He seemed rather taken aback with the question, although later on he clearly showed that this was the big problem the company was up against. Mr. McLimont said that it was hardly to be expected that a new man on the ground could have found a solution for this difficulty right at once, at the same time he was not afraid to talk about the matter, and in a few minutes proved that he had the whole situation at his finger ends, and had columns of figures to prove that the City of Winnipeg had been extremely unjust in allowing jitneys to operate in competition with the street cars.

Many of these jitneys are owned by private individuals, who have cars, but are unable to support them during the week. By loaning them out to be used as jitneys, they were able to earn sufficient to carry them over the week and yet be able to use them for pleasure on Saturday and Sunday. Then there were men who were running these cars as a business proposition. He instanced the case of a doctor who owned five jitneys.

Dealing With Jitney Menace.

When it came to a question of how this menace was to be overcome, Mr. McLimont said it rested entirely with the city itself; all the company could do was to bring forward facts to show that it would eventually be ruinous for the western metropolis, and would curtail its growth. Now that technical and financial papers all over the American continent were drawing attention to the way the Winnipeg city council had treated their electric railway, the matter was becoming serious in the eyes of business men. This was a situation that had just begun to show itself, and Mr. McLimont had facts and figures which he intended to publish shortly that would strike home very forcibly to the business men of Winnipeg. It was bound to come eventually, he said, as the jitney had been tried out in every other city in America and had failed for that very reason—that the people eventually saw that they were cutting their own throats by supporting a transportation system that worked against the interests of the railway having a franchise within their borders.

Then property owners of Winnipeg would soon realize what this menace meant. If the Winnipeg Electric Railway was compelled, through falling off in revenue, to curtail the services to outlying portions of the city, there would soon be a falling off in rentals, and it was then that property owners of Winnipeg would begin to feel the pinch, which was bound to come if the jitney menace continued.

At present, however, the company was compelled to keep the service up, running day and night at stipulated hours, whether passengers were carried or not, in all kinds of weather. On the other hand, the jitney driver need only run when conditions suited him. If he had no passengers to carry, he could go home and rest. That was something the street railway could not do.

Educating Public Opinion.

In what way, Mr. McLimont was asked, did the street railway propose to change the attitude of the Winnipeg public towards their utility? The company was starting out, he said, to change the whole mental attitude of the Winnipeg public and was finding considerable difficulty. Officials were inundated with complaints from men who had been compelled to stand on the street corner for a car. At the same time they realized that the mental attitude of the public was very changeable, and where a man one day would fly off and send in a complaint, the next day, if weather conditions were more favorable, or his liver in better order, he would let a matter of that kind pass by. They had to contend with very peculiar conditions. He gave as an instance an old gentlemen, a very prominent citizen, who had a way of smashing car windows every time he thought the car was going by him without stopping. All that sort of thing had to be overcome by showing the public that they were there to give the best possible service. They were just like any manufacturer: they were in the market selling transportation, gas, electric light and power, and they could only expect to do busfness with the citizens of Winnipeg if they gave them good service.

As to the future of the jitneys, Mr. McLimont was asked if the recent order compelling the jitney driver to be bonded had had any effect. It was true he said, that many of them had withdrawn from the business, but there were still several hundreds running. The fact that they had to provide a bond of $150 per year would not deter them. They might retire now that the winter was close at hand, but he believed they would be back in the spring. It simply meant that each jitney owner had to make 50c per day more than he had in the past, which was the amount required for their bond, and there were bonding institutions that were willing to take these men on at a small figure like 12.00 or 13.00 per month, which made it very easy for them to keep running.

As to the future Mr. McLimont had little to say. Much rested with the city council, and all they could do was to show them that by allowing jitneys to run on the streets in competition with the street cars they were injuring the city.

War Risks

Are you one of the hundreds of business men in Canada who are working at high pressure and bearing extra cares because of war conditions? If so, should you not protect your family or your business by additional Life Insurance.

The war risks are not all overseas. Every few days the sudden passing away of some prominent business man gives evidence of the tension and anxiety of the men who are bearing the added burdens at home.

The Security Life Insurance Company of Canada, which issues only "all guaranteed policies," is issuing direct to insurers a special protection policy intended to serve the present war-time need. At age 35 the annual premium for $5,000 is only $52.00.

"Just my measure," said a well-known business man of this plan. He took the limit.

Write, stating age last birthday, for full particulars.

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R. J. Wilson, M.D.

Secretary and Actuary
John P. P. Oliver

Pennsylvania Railroad Co. announces that 122,456 employes subscribed a total of $9,051,700 to second Liberty Loan. The company subscribed $10,000,000 on its own account.

BIG SHOE ORDERS FOR CANADIAN MAKERS

Government Will Require $1,000,000 for Conscription Forces, and May Include Trench Boots as Well.

Other war orders besides shells and fuses will be delivered shortly to Canadian manufacturers, and help in sustaining prosperity in the industrial field. After a period exceeding a year that was void of military orders, the boot and shoe manufacturers, after a conference with the Militia Department at Ottawa, have been assured of early orders to equip the new battalions that will be mobilized as a result of the Militia Service Act. These are expected to run to at least 200,000 pairs, with a value of over $1,000,000, and if the "trench" boot is included the aggregate would be close to $2,250,000. The arrangements for the new contracts are in the hands of four representatives of the manufacturers, with a member of the late Parliament included; Frank Scott, of Getty and Scott, Mr. Brandon of the Brandon Shoe Company, for Ontario, and N. R. Feltes, of Ames-Holden-McCready, and Ralph Locke, of Dufresne and Locke, and President of the Slater Shoe Co. for the Quebec makers of footwear.

Every effort has been put forth by the shoe men to secure contracts for the making of the "trench" shoes with which the Canadian soldiers are fitted out as soon as they reach France. It has been for long a cause of protest on the part of the Canadian makers that they have not been allowed to supply the boots worn by the Canadian soldiers in England and France. The Canadian Government made representations on their behalf, but no change was made in the practice and it is understood that the British authorities still insist on controlling the shoe that is worn by the soldiers after they reach England.

The Canadian mills are in a good position for such an order at the present time. Business on the whole is not as brisk as one year ago, and this order would supplement those already on hand and keep the plants running pretty well to capacity. Owing to the general quietness in business stocks of leather have been accumulating, and sufficient quantities are now available.

Large orders for leather equipment are also under way for Canadian firms.

U.S. BANKS COULD NOT MAKE LIVING HERE

Banking Act Would So Limit Operations That They Would Be Unprofitable.

The Canadian Bankers' Association has received no intimation yet of any movement of the leading banks of the United States to establish branches in Canada as foreshadowed by the *Bankers' Magazine*. The general belief is that such a step would be practically impossible in the face of the restricting terms of the Bank Act.

The President of the Canadian Bankers' Association, E. L. Pease, managing director of the Royal Bank, is of the opinion that a United States bank "could not make a living in Canada."

In conversation with THE FINANCIAL POST he pointed out that the Canadian Banking Act would prevent it operating at all except by establishing a branch as a company under a license. Nor could it accept deposits nor circulate its notes.

Similar restrictions are laid upon Canadian banks with branches in the United States, but the opportunities to do business in the limited directions permitted are far superior, naturally, than they would be for a United States bank in infinitely smaller Canadian center. The Canadian banks find it profitable in New York to buy and sell exchange and to lend money on call. The U.S. banks would have to subsist on a similar basis, but with much more meagre opportunities.

Mr. Pease added that the U.S. banks had looked into the question and realized the obstacles that confronted them in Canada. At the same time there was no movement on the part of the Canadian Bankers' Association for a change in the Canadian laws that might work out more favorably to the U.S. banks.

TO MAKE MARGARINE.

Mathews-Blackwell Company Will Establish a Plant.

Despite the uncertainty prevailing regarding margarine, due to the time limit for the raising of the embargo against the product being only for the "duration of the war" several of the packing houses are contemplating going into the manufacturing of the product, taking the chance that the public once grown accustomed to the product will demand that the removal of the embargo be made permanent. A. C. Blackwell, of the Mathews-Blackwell Company, states that his company anticipates going into this business in the near future. The plant would not be as extensive, he admitted, as it would be if there was some satisfactory assurance from the government that there would be some permanency to the business.

INCOME FROM MILK STOCK.

Aged Mrs. Borden Draws $120,000 From 15,000 Borden Co. Shares.

Mrs. Theresa Borden, widow of Henry Lee Borden, who founded the Borden Milk Co., has been found by a sheriff's jury at White Plains, U.S.A., incompetent to manage her $1,750,000 estate. At seventy years of age she is suffering from senile dementia, and is under nurses' care. In the evidence heard during proceedings it was brought out that for a number of years Mrs. Borden's income from 15,000 Borden Milk Co. shares has been $120,000 a year. The stock is valued at $1,500,000.

AMERICAN GOLD IS COMING TO CANADA

Bankers' Conference Results in Release of $25,000,000 for Canadian Account.

WASHINGTON.—The Federal Reserve Board has agreed to sanction the exportation of $25,000,000 in gold to Canada on condition that it be returned as soon as it is no longer needed to bolster up Canada's currency and to maintain exchange rates. This decision is the result of the conference of Canadian bankers which was held last week with Secretary of the Treasury McAdoo, in which Viscount Reading participated.

Details of the plans stipulate that $10,000,000 of gold will be shipped this month, $10,000,000 in December, and $5,000,000 in January. In addition, any gold held for the account of Canadian banks in the United States and "earmarked" for this country will also be permitted to be withdrawn. Bankers generally believe that this will be sufficient to right the exchange situation, and that, in fact, signs of this have been seen during the past two days.

There has been a temporary slowing-up of offerings of exchange owing to the slower wheat movement. The funds provided by the Canadian banks for the wheat movement are also being used at present, and this, of course, does not affect the exchange market. A little later on, however, United States funds will be used in connection with the crop movement, and it is thought that, if any larger demand for gold arises, it will be forthcoming.

M. J. O'BRIEN, LIMITED.

All Concerns To Be Incorporated At $20,000,000.

Notice is given of the incorporation of M. J. O'Brien, Limited, of Ottawa, with a capital stock of twenty million dollars. The purpose of the company is to take over and carry on as going concerns, all the business enterprises as railroad contractor, lumberman, mine owner, manufacturer, stock breeder, dairyman, etc., heretofore carried on by M. J. O'Brien, of Renfrew.

This will involve the O'Brien mine of Cobalt, as well as the Miller Lake O'Brien mine at Gowganda, both of the properties having been heretofore privately owned and operated by Mr. M. J. O'Brien. The provisional directors of the company are: M. J. O'Brien, J. L. Murray and H. A. Jordan of Renfrew; J. A. O'Brien of Ottawa, and George A. Campbell of Montreal.

FORD'S STEEL PLANT

Automobile King's New Works a Mile in Length.

An idea of the vastness of the great smelter plant in course of erection by Henry Ford & Son Co. can be gained when it is said an automobile speedometer shows it to be exactly one mile from one end of the works to the other.

The present program is to have the monster building, calculated to produce 3,000,000 tons of steel a year and give employment to 30,000 men, in operation on New Year's Day, 1920.

None of this steel is to be marketed, as Ford will be obliged to work the smelters to their utmost capacity to produce a sufficient output to supply its own needs for automobiles and tractors. During the fiscal year ending July 31, 1919, Ford will have produced 900,000 cars in which will be used 400,000 tons of steel for frames, motors, axles, etc. The steel used for magnetos, metal for tanks, sheet metal for fenders and for guards, should hit the 1,000,000-ton mark in 1920.

Tractor production is planned for 1,000,000 yearly. Farm implements take more steel and iron than automobiles so that Ford tractors will probably call for something like 3,000,000 per year—leaving nothing for other consumers.

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	Bid	Asked
Abitibi power, com......	42.00	48.00
Can. Machinery, com....	.....	.....
Dom. Pow. & Trans., cm.	.....	.....
Dom. Permanent Loan...	63.00	68.00
Eastern Car, pref.	.....	.....
Ford Motor	.....	.....
Goodyear Tire & Rubber, com.	175.00	195.00
Home Bank	64.50	67.00
Imperial Oil	340.00	380.00
Lambton Golf Club	.....	.....
McDonald, pref.	83.00	87.00
Ont. Pulp Bonds	79.00	83.00
Stand. Rel. Ln. (par 50).	46.00	49.00
Brompton Pulp	.....	39.00
Black Lake, com.	1.00	3.00
Do., pref.	1.00	4.00
Do., Inc. bonds	.....	27.00
C. P. R. Notes	.....	103.00
Carr. Factories, com....	15.00	.....
Do., pref.	50.00	.....
North American Pulp ...	2.00	2.50
Steel & Rad., com.	.....	15.00
Do., pref.	60.00	.....
Macdonald, com.	12.50	13.50
People's Loan	80.00	90.00
Wes. Can. Flour, com.....	90.00	110.00

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MONEY, BANKING AND EXCHANGE

CLEARINGS OF EASTERN CITIES AGAIN DECLINE

In the West Returns Are Higher Than for the Previous Week.

DOMINION SHOWS GAINS

Montreal is Lower by $9,803,949 and Ottawa by $867,741—For the Dominion the Gain is 11.6 Per Cent. Compared With 14.5 for the Previous Week.

For the week bank clearing returns furnished to THE FINANCIAL POST for the entire Dominion Amounted to $309,759,766 compared with $277,621,526 for the corresponding period in 1916, and $219,142,170 in 1915. Eastern cities showed a falling off of $4,166,594 or 2.2 per cent., while in the West there was a gain of 41.2 per cent. which compares with a gain shown in the previous week of 37.3 per cent. Montreal's total at $89,756,462 was lower by $9,803,949 or 9.8 per cent. Ottawa also showed a falling off of $867,741 or 13.1 per cent. Peterboro, Halifax, Sherbrooke and St. John showed the largest percentage gains in the East. In the West Edmonton showed a percentage gain of 58.2 per cent, Calgary 57.9, Brandon 54.6, Moose Jaw 51.6 and Fort William 44.4 per cent. while all the other cities showed substantial gains. For the year to date the gain is $2,029,705,009 or 23.3 per cent. Following are comparative figures:

WEEKLY BANK CLEARINGS.
(In comparison with same week last year.)
Eastern Cities.

	Nov. 8, 1917.	Change.	%
Montreal	$ 89,756,462—	$ 9,803,949	9.8
Toronto	66,567,742+	3,787,056	6.0
Ottawa	5,726,973—	867,741	13.1
Hamilton	5,294,200+	17,493	.3
Quebec	5,691,351+	399,934	7.5
Halifax	4,015,920+	1,112,869	38.3
London	2,588,623+	71,656	2.8
St. John	2,293,917+	404,889	21.5
Brantford	876,433+	57,549	7.0
Peterboro	892,974+	357,953	66.9
Sherbrooke ...	981,994+	247,967	33.7
Kitchener	647,996+	47,730	7.9
Total, East..	$185,334,585—	$ 4,166,594	2.2

Western Cities.

	Nov. 8, 1917.	Change.	%
Winnipeg	$ 82,130,278+	$ 23,534,771	40.2
Vancouver	9,992,399+	2,810,129	39.1
Calgary	10,414,979+	3,816,449	57.9
Edmonton	4,146,418+	1,513,309	58.2
Victoria	1,690,022+	45,872	2.8
Regina	5,917,157+	1,803,963	43.9
Saskatoon	3,249,056+	933,520	40.4
Moose Jaw ...	2,297,368+	779,610	51.6
Ft. William ..	934,850+	287,460	44.4
Brandon	1,177,473+	415,631	54.6
Lethbridge	1,355,812+	297,110	28.3
N. Westm'ster.	335,412+	42,010	14.4
Medicine Hat .	783,957+	25,001	3.3
Total, West..	$124,425,181+	$ 36,304,834	41.2
Gr. total ...	$309,759,766+	$ 32,138,240	11.6
Yr. to date.	$10,722,758,176+	$2,029,705,009	23.3

U.S. BANK CLEARINGS.

Bank clearings in the United States for the week ending November 1 aggregate $6,041,342,000, against $6,296,918,000 last week and $5,912,768,000 in this week last year, an increase of 2.1 per cent. Following are the returns for this week and last, with percentages of change shown this week as compared with this week last year:—

(000's omitted)

	Nov. 1	I. or D.	Oct. 25
New York...	$3,393,226	D 6.0	$3,535,442
Chicago	494,222	I 8.1	503,736
Philadelphia.	348,399	I 24.0	358,279
Boston	286,873	I 5.2	280,289
St. Louis	153,617	I 24.0	159,802
Kansas City..	188,862	I 50.0	193,403
S. Francisco.	107,355	I 27.1	101,687
Pittsburgh ..	79,787	I 13.1	90,555
Cleveland ...	76,536	I 20.5	76,748
Detroit	48,326	D .1	50,576
Baltimore ...	43,947	D 1.2	42,426
Cincinnati ..	34,888	D 11.0	40,487
Minneapolis .	42,473	I 8.5	39,378
New Orleans.	42,796	I 40.6	48,323
Los Angeles.	28,597	I 13.4	28,780
Omaha	43,836	I 50.0	49,648
Milwaukee ..	26,214	I 5.5	26,146
Atlanta	50,697	I 76.4	52,970
Louisville ...	18,497	I .1	17,533
Richmond ...	38,254	I 56.6	38,436
Buffalo	21,146	I 27.8	20,900
Seattle	25,152	I 34.5	26,951
St. Paul	16,351	D 14.8	16,556

MONEY.

Call money rates in both New York and London remain unchanged at 4 per cent., with an easier tone pervading the market. Time money, however, has been firmer. Sixty day money, which was quoted from 5 to 5¼ per cent. on Monday, advanced during the week to 5¼ to 5½ per cent.; 90 days from 5¼ to 5½ per cent. to 5½ to 5¾ per cent., while six months' money was firm at practically the same level. Prime mercantile paper still rules at 5½ per cent.

The floating of Canada's Victory Loan will undoubtedly have a tightening effect on Canadian money, though, owing to the extended period over which payments are allowed, the banks should be able to maintain their deposits fairly intact. Liberal arrangements are being made by the banks to finance the bond purchases of their customers and manufacturers and other large employers will be able with the assistance of the banks to carry bonds for their employees for twelve months.

According to estimates made by the Treasury Department in Washington, the general stock of money in the United States on Nov. 1 amounted to $5,768,711,563, an increase of approximately $1,000,000,000 as compared with figures of a year ago. Money in circulation on Nov. 1 was estimated at $4,924,928,348, as compared with $4,241,162,189 on Nov. 1, 1916. Based on estimated population of the United States of 104,719,000, the Treasury Department estimates the circulation per capita at $47.03, as compared with $41.18 last year.

EXCHANGE.

New York funds on Thursday crossed par and again went to a premium. In so doing they have quite upset all prognostications made early in the fall regarding their probable course before the close of the year. Excessive weakness was freely predicted, based on the early and severe decline of last month. However, present quotations give little indication that any abnormal break will occur.

The market for funds is proving a puzzle to those who followed its movements. Undoubtedly last week's announcement that the United States Treasury Department would raise the embargo on gold shipments to Canada had a strengthening effect, but it was hardly sufficient to cause a rise within seven days from a discount of 5/16 to a premium of ⅛. The latter price appears to be artificial and not representative of the intrinsic value of funds. Unquestionably they are hard to get, which leads to the conclusion that they are being held by interested parties.

If the banks find it necessary in connection with the Victory Loan to bring over large balances from New York, there will be a drive on the price of funds, and it is not impossible that quotations are being strengthened with the object of deriving the most advantage from the approaching movement.

The rise in New York funds has been continuous, with a very pronounced upward swing on Wednesday and Thursday. A week ago Friday quotations ranged from 7/16 to 5/16 discount; on Saturday the close was 9/32 discount; on Monday 9/32 discount ruled throughout the day; on Tuesday the scarcity of funds became pronounced, and quotations rose to 3/16 discount; on Wednesday the price was run up to 1/32 discount, with very little offering; on Thursday the market opened at 1/32 premium and rose to ⅛, and this quotation was maintained yesterday.

There was no change in the New York quotation on demand sterling until yesterday, when the price eased from 4.75 3/16, the prevailing rate, to 4.7512. The report that there would be no steamer sailings this week influenced rates adversely.

Francs have been easier. A week ago demand was quoted at 5.75¾ and cables at 5.74⅛. Demand fell during the week to 5.76⅝ and cables to 5.74⅞.

A serious decline in roubles was coincident with news of the second Russian revolution. From 13.35 on Monday, demand fell to 11.50 on Thursday, while cables receded in the same interval from 13.60 to 11.75.

MONTREAL.

On the 100th anniversary of the founding of the Bank of Montreal with which he had been associated for fifty years, Samuel John Stammers died on Saturday in his 81st year at Toronto. Born in Clapham, Surrey, England, in 1837, the late Mr. Stammers, one of oldest and most respected citizens of the west end of the city, came to Canada in 1852, being at that time in the employ of the Bank of British North America.

QUEBEC.

That the Quebec Bank is liable to the city of Toronto for 1917 taxes, amounting to $2,907, upon a business assessment of $114,000, made last year, is the decision of Mr. Justice Masten. His Lordship makes no comment on the jurisdiction of the Court of Revision to remit these taxes.

According to the city's statement of claim the Quebec Bank was in business in Toronto till December 31st, 1916, when it was amalgamated with the Royal Bank. The latter, on the other hand, says that there was no amalgamation, but that the Royal Bank purchased the assets of the other institution.

Mr. Justice Masten holds that the effect of the Assessment Act is that as the bank was in business here when the assessment was made, it is liable for the amount of the rates based on that assessment. The act implies such liability "notwithstanding the death or removal of the person assessed."

The Royal Bank argued that the Quebec Bank had not removed, but to this the judge replied that it was here in 1916 and is not here in 1917, so it must have removed.

ROYAL.

Lieut. K. McLea, formerly on the staff of the Royal Bank of Canada, Montreal, has been reported killed in action. Lieut. McLea was in the Canadian artillery and had been in France nearly two years. He took a qualifying course at Kingston and obtained a lieutenant's commission.

DISCOUNT LIFTED.

Port Huron bankers during the week lifted the one cent discount on Canadian money. From now on it will be accepted upon equal value with the American dollar. The discount has been in effect for several months.

THE MOLSONS BANK.

At the annual meeting of the shareholders of the Molsons Bank the following were re-elected directors: W. M. Birks, W. A. Black, E. J. Chamberlin, F. W. Molson, George E. Drummond, S. H. Ewing, Wm. Molson Macpherson. At a subsequent meeting of the directors Mr. Macpherson was re-elected president and S. H. Ewing, vice-president.

BANKERS' ASSOCIATION.

At the annual meeting of the Canadian Bankers' Association, held this week at Montreal, E. L. Pease, vice-president and managing director of the Royal Bank of Canada, was re-elected president.

The other officers of the association were also re-elected, and no change was made in the members of the council. The officers of the association for the ensuing year will therefore be:—

Honorary Presidents — Sir Edmund Walker, Sir Vincent Meredith and Sir George Burn.

President—Mr. E. L. Pease.

Vice-Presidents—Sir F. Williams-Taylor, Sir John Aird, Mr. C. A. Bogert and Mr. H. A. Richardson.

No special announcement beyond the election of officers was made after the meeting.

BANK OF ENGLAND.

The weekly statement of the Bank of England shows the following changes:—Total reserve, increased £177,000; circulation, decreased £11,000; bullion, increased £165,353; other securities decreased £1,538,000; public deposits, decreased £345,000; other deposits, decreased £1,329,000; notes reserve, increased £304,000; Government securities, decreased £150,000.

The proportion of the bank's reserve to liability this week is 19.60 per cent.; last week it was 19.30 per cent. The bank rate was 5 per cent.

DOMINION.

The Dominion Bank advises that owing to a number of changes in the names of the streets of the city the Dundas and Queen Street's branch will in future be known as Queen Street and Ossington Ave. branch, Toronto.

STERLING.

The *Teller* for October, the house organ of the Sterling Bank of Canada, and edited by the staff of the bank, has just come out and contains some very interesting articles among which is an article on one of the questions of the day: "Will girls attain executive positions in banks?" Other articles are "Two hundred miles from the end of steel"; "Why should bank branches be inspected?" and "What is a collection?"

J. F. McLaren, who was paying teller in the Toronto office of the Sterling Bank, has been gassed while on active service at the front. He was a gunner in the Royal Canadian Field Artillery and has been admitted to Clearing Station No. 42.

NEW BANK BRANCHES.

Returns to THE FINANCIAL POST indicate that there were only four new branches of the Canadian chartered banks opened during October and seven branches closed, which compares with six branches opened in August and four closed. Of the four branches opened one was by the Hochelaga in Quebec, Bank of B. N. A. in Saskatchewan, and Montreal, one each in Ontario and Quebec, while three of the branches closed were by the Montreal, two being situated in Ontario and one in Quebec; two by the Standard in Ontario, one by the Royal in Quebec and Union, one in Saskatchewan. Following is a list of the branches opened and closed during the month:

(Opened).

Hochelaga.—Belvedere, Quebec City.

B.N.A.—Raymore, Sask.

Montreal.—Exhibition Camp, Toronto; Sherbrooke St., Quebec.

(Closed).

Royal.—St. Viateur St., Montreal, Que.

Montreal.—Petawawa Camp, Ont., Camp Borden, Ont.; Valcartier, Que.

Standard.—Schumacher, Ont., Cherry Valley, Ont.

Union.—Robsart, Sask.

The number of branches now total 3,431, and are distributed as follows:

Ontario	1,119
Quebec	824
Nova Scotia	119
New Brunswick	83
Prince Edward Island	17
Manitoba	203
Alberta	266
Saskatchewan	445
British Columbia	185
Yukon	3
In Newfoundland	28
Elsewhere	89
Total	3,431

The following table indicates the monthly changes, and it will be noted that for the ten months there were 162 branches opened and 42 branches closed compared with 124 branches opened for the corresponding period in 1916 and 89 branches closed.

	1917		1916		1915		1914	
	Op.	Cl.	Op.	Cl.	Op.	Cl.	Op.	Cl.
Jan.	19	6	16	14	6	9	16	6
Feb.	19	2	10	12	12	9	18	6
Mar.	19	4	11	12	23	10	25	5
April ..	22	4	3	9	10	7	20	9
May	40	3	16	8	19	13	51	13
June ...	18	2	9	9	28	18	33	11
July	7	2	13	3	9	6	11	2
Aug. ...	8	8	10	5	9	6	13	8
Sept. ...	6	4	6	6	23	11	10	9
Oct.	4	7	30	11	6	7	15	4
Nov.	..	..	24	23	10	14	5	16
Dec.	..	..	13	3	15	24	20	23
Total ...	162	42	161	114	169	134	237	119

THE ROYAL BANK OF CANADA
INCORPORATED 1869

Capital Authorized - - $ 25,000,000
Capital Paid Up - - 12,911,700
Reserve and Undivided Profits, 14,324,000
Total Assets - - - - 300,000,000

HEAD OFFICE, MONTREAL.

365 Branches in Canada and Newfoundland.
Thirty-eight Branches in Cuba, Porto Rico, Dominican Republic, Costa Rica and Venezuela

BRITISH WEST INDIES

ANTIGUA—St. John's; BAHAMAS—Nassau; BARBADOS—Bridgetown and Speightstown; DOMINICA—Roseau; GRENADA—St. George's; JAMAICA—Kingston; ST. KITTS—Basseterre; TRINIDAD—Port of Spain, San Fernando and Scarborough (Tobago); BRITISH HONDURAS—Belize. BRITISH GUIANA—Georgetown, New Amsterdam and Rose Hall (Corentyne).

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Bank Bldgs., Princes St., E.C.

NEW YORK CITY
Cor. William and Cedar Sts.

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SAVINGS DEPARTMENT AT ALL BRANCHES.

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If you are, and desire to be relieved of the detail work of the Estate, we would be pleased to act as your Agent. The law gives you the right to employ us, and our charges are very moderate.

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TORONTO OFFICE: ROYAL BANK BLDG.
J. F. Hobkirk, Manager

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EXECUTORS AND TRUSTEES
HEAD OFFICE, MONTREAL.
Capital Fully Paid, $1,000,000. Reserve Fund, $1,000,000.

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TORONTO BRANCH - - - - - - - - - 59 YONGE ST
BRUCE L. SMITH - - - Manager

Going Overseas?

To those going overseas, whether in a military or civil capacity, to do their bit, or to those who contemplate spending the Winter away from home, and who may need a strong reliable corpration to look after their affairs in their absence, we offer the suggestion that they leave a Power of Attorney in our favor. It will relieve them of all the details and worries incidental to looking after their Estates. Compared with the relief afforded and the service rendered the charge would be small and the satisfaction great. Interviews invited; correspondence solicited. All business treated as strictly confidential.

THE STANDARD TRUSTS COMPANY
346 MAIN STREET - - WINNIPEG

When selecting a Trust Company as an Executor, choose one whose fixed policy is to give

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to Estates being administered by it.

CAPITAL ISSUED AND SUBSCRIBED $1,171,700.00
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We have special facilities for handling property in the Niagara Peninsula.

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The commissions paid an Executor are fixed by the Court and, in no case, are those allowed a Corporate Executor any greater than those allowed an individual Executor. Further, the services rendered by a Corporate Executor are incomparably superior, owing to its complete organization for administrative purposes. Further particulars by letter or interview.

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Toronto General Trusts CORPORATION
Capital and Reserve $3,350,000.00
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NEWS AND VIEWS FOR MANAGERS

MARKET PLACE AS A FIELD FOR NEW ACCOUNTS

How One Branch Manager is Overcoming Keen Competition.

MAKES FARMER A FRIEND

Attends Sales, Etc., Makes Personal Calls and Keeps in Touch With Gossip—American Bankers and New Customers.

The Saturday market as a meeting place for establishing those friendly relations with the farmers of the community which may be made a big factor for success in securing savings accounts was emphasised to me the other day by an experienced branch manager. This banker had been up against the proposition of cultivating a field for an extra crop of accounts when it had already been well worked. About a year before he had been sent to this substantial but conservative country town—where the few manufacturers had received none of the benefits of war orders—located in a steady-going agricultural community but one where the family mortgage was still generally prevalent. Naturally his chief efforts were directed to increasing the entries in the savings ledger and it was his experience in this connection that we discussed.

"I have to depend largely upon getting the good-will of the farmers" he explained. It is a case of encouraging them to share their business with me. You see the other banks have been here for years. Practically all the farmers all have accounts with them. I have little or no chance of getting them to take their accounts from the banks where they have been to bring them to me. The best I can do is to point out that there is now another bank in the field, that another bank is a good thing for the community and that they should give it some support. This has led to securing a goodly number of small accounts and these, with careful handling and cultivation have shown growth."

But the Saturday market, which is sort of a clearing house for the countryside gossip as well as an exchange for farmers' produce—and thus provides many opportunities for the glad hand-shake (which I readily believe this manager could use to good effect) and the pleasant passing of the time of day—was not the only factor which was used in the campaign. This man told me that he also made a practice of attending the auction sales held throughout the district, the fall fairs and the garden parties etc. In other words his aim was to make for himself a place in the community.

"Nor is the first meeting anything more than the first step of the campaign" he explained further. "There is the necessity of talking on subjects of interest to the other party. This necessitates my keeping in touch with farm and market news and gossip and often I am able to give the farmer some information about the business world with which he has so much to do and about which he sometimes understands so little. Then after the casual acquaintance there often comes an invitation to pay a visit to the country home. I find that this visit is often a stepping-stone to business. The farmer likes to have an opportunity to entertain people in his own home, especially the people from the town and more particularly. I think, the business men. I let him understand that there is not such a wide breach between himself and the townsmen as he may often feel in his purely business dealings.

"I have used up a lot of money in livery bills in taking advantage of these invitations—and in making other calls where I have had no invitation but have found a hospitable welcome nevertheless—and I have found that it is effective as a business getter," he said in concluding his reference to his savings account pioneer work.

Some American Ideas.

During the conversation referred to above I gathered the impression from the manager that, while he had been willing to try some very aggressive methods, in Canada banking is still more of a profession than it is a business and that there are certain conventions which must be followed. In the United States, largely owing to the fact no doubt that each bank is practically an individual business, these time-honored conventions are being fractured in the competition for accounts. The *Commercial West*, a financial and business paper published at Minneapolis, gives an idea of the way the American bankers are soliciting savings accounts. Bankers are told that they should go after customers as a salesman would go after orders. They are asked to consider the peddler who sells brooms and who never hesitates to go into a Chinese laundry nor discriminates between the rich and the poor in his itinerant salesmanship. Further:

"Think of the broom business he takes away from the corner grocery store. Then consider that every living individual in your town is a potential patron of your bank. When are you going to close the credit and get the business? Every new born baby ought to have a savings account with one parent as trustee. Every foreigner ought to be taught that his money is safer in your bank than sewed up in his or her clothes. Every Chinaman, junk dealer, garbage man, push-cart peddler and what-not should get your appeal for business, with an offer of your services just as courteously as you would deal with a millionaire."

It may be a long time before bankers adopt such direct methods in Canada—and yet perhaps not so very long when we consider how the manager in the country town broke into his territory. In any event the prospect for securing non-existent business along the American lines referred to is worth considering.

On Giving Advice

In discussing what was said in this column last week about giving advice, a manager told me that his experience with the farmer was that even when he asked for advice he was reluctant—to put it mildly—about accepting it.

"I remember one instance" he said, "when a farmer asked my advice about the wheat market—as to whether I thought he should sell or not. I would not declare myself on such a point, although I had my opinion of what he should do. So he switched the question and asked me what I would do if I were in his shoes. So I said 'sell.' He, as I might have expected, did the opposite.

"Wheat was selling at $1.03 that day. Two weeks later the market was at 72 cents. He sold at that figure. And do you know even in that case I made an enemy rather than a friend by giving advice which was perfectly good. You certainly have to be careful in advising your customers—and if they were wise they would pay attention to what you tell them for that very reason if no other."—J.W.T.

MANUFACTURERS AND RETAILERS IN WAR TIMES

Whole Banking System is Under Heavy Strain—Opinions Also as to Competition for Accounts —Meeting Demands for Service, etc.

In this period of abnormal and, therefore, more or less unsettled industrial and business conditions, with its many necessary adjustments, it is only natural that, while the manufacturer, the wholesaler and the retailer have, generally speaking, experienced, and are still experiencing, prosperity, there should be individual cases where there has been a "pinch." It is because it is difficult, if not impossible, to pass through such a period without some inequalities in the process of change to new and uncertain conditions, it is indicated that some complaints are heard against the treatment which has been accorded by the banks. It should be remembered, however, that the banks cannot in many cases have the same confidence in an undertaking as the man who is engaged in it, and that the rules which they follow, while they may appear to be hard on a certain few, are, in the last analysis, for the benefit of the many. The safety of the whole banking system depends upon the ability of the management to reduce the margin of possible loss to the minimum.

In discussing this and other phases of the banking situation of especial interest to the branch manager with D. C. Macarow, general manager of the Merchants Bank, THE FINANCIAL POST obtained a "head office" view on some matters which has considerable interest, considering the fact that in many such cases as referred to the branch manager is merely carrying out instructions.

Mr. Macarow takes issue with any charge that the banks have restricted financial assistance to Canadian business as to retard industrial or commercial development. He points out that the banks are resting under a very heavy strain to-day, but that they are exerting every effort to meet legitimate expansion. In this connection his opinion is that it should be noted that the present is not a time for inconsiderate expansion.

"We do not know what is ahead of us, but we do know that the future is filled with uncertainty and the banks must observe a reasonable measure of caution in the interests of all concerned. For all that, it is my humble opinion that the period of readjustment will be a limited one in Canada, and that the progress of this country will be established on a high and permanent plane."

Competition in Banking.

The advocates of what may be termed "latter-day" banking would seem to have a strong advocate in the general manager of the Merchants Bank. "Competition is the life of trade and the life of banking," he declared in reference to the chats with branch managers that have been appearing in THE FINANCIAL POST. "I would be sorry to see a discontinuance of the competition that now exists. However, throughout it all the ethics of reasonable competition have been observed, and will continue to be observed among the banks."

As to More Branches.

In view of the difficulties which the Canadian banks have had to face in readjusting their staffs to meet the drain of military enlistments—and the further call which has been made upon them by conscription—Mr. Macarow, who has just returned from Western Canada, was asked as to the probable policy to be followed in that country as regards branch expansion. He stated that for some time the scarcity of bank men would make it difficult to increase the number of branches to any extent. Whatever there was of this, however, would be forced on the banks. In so far as they could, they had no intention of subdividing the territory, but would endeavor to provide all the facilities that the development of the country required.

As to American Banks.

On the question of the possibility of American banks entering the Canadian field, as discussed in this column last week, Mr. Macarow says: "The Canadian field will continue well served by the Canadian banks. There is not much room, nor necessity, nor reason for outside financial institutions establishing themselves in this country, nor are there, so far, any indications that they will do so."

BANKERS SEE LIGHT.

Annual Convention at La Plata in Favor of Newspaper Advertising.

Calendars, novelties of all kinds and similar methods of advertising henceforth will be discarded by the bankers of Macon County, Miss., for straight newspaper advertising. At the annual convention of the bankers, held at La Plata, it was decided that press advertising was the best method of getting before the public and pushing their business, and they resolved to abandon all other forms.

What are Canada's Victory Bonds?

CANADA'S Victory Bonds are the solemn promise of the Dominion of Canada to the holders that Canada will repay, at the time stipulated in the bonds, their full face value in money, and will pay interest at the rate stated in the bonds, every six months.

As a financial investment Canada's Victory Bonds are in the first rank of the world's investments because:

—the security of the principal and interest is certain as anything human can be, being nothing less than the entire assets of Canada, the pledged honor of the people of Canada and all the assets of all the people of Canada.

—they are the most "liquid" form of investment; they can be promptly turned into cash at any time.

—they bear interest which, if saved and compounded, at ordinary bank interest rates would double the amount of the original investment in about fourteen years.

They are also free from Dominion taxation, present or future.

FOR the investment of estate funds, trust funds, sinking funds and all other funds which by law or other necessity must be invested in unquestioned securities, Canada's Victory Bonds are the premier investment.

Executors, trustees, municipalities and public service corporations and all others with trust or sinking funds to invest, can render to Canada valuable patriotic service by investing their funds in Canada's Victory Bonds.

* * *

AND because of the high rate of interest they bear, coupled with their supreme security, there is every reason to expect that Canada's Victory Bonds will increase in value, when peace is declared.

The English Rothschilds laid the foundation of the fortune of that branch of the family by buying British war bonds before the battle of Waterloo, thereby making huge profits from the increase in value which followed the declaration of peace.

* * *

BUT Canada's Victory Bonds are much more than merely a sound money investment; they are Canada's renewed pledge to fight the war to a finish, till victory is with the Allies and lasting peace is secured to the world.

Every one of Canada's Victory Bonds bought by you is a new assurance to every Canadian soldier that Canada stands behind him ready to send him food and munitions, and to care for those he has left in Canada.

Canada's Victory Bonds guarantee that Canada will keep on producing the food, the munitions and machines to bring victory to the Canadian soldiers in France, and that Canada will keep the home-fires burning for their loved ones while they are fighting for our freedom.

* * *

SO when you buy Canada's Victory Bonds you help Canada finance the war,

—you help to maintain the production of food, munitions and supplies which our soldiers must have,

—and the money paid for those products helps to maintain business and industrial conditions by which the productive efficiency of Canada can be kept at high pressure.

Your investment in Canada's Victory Bonds will be a link in the complete chain of helping our soldiers, helping the country and thereby also helping yourself.

Investment in Canada's Victory Bonds is Sound Business Patriotism

Issued by Canada's Victory Loan Committee
in co-operation with the Minister of Finance
of the Dominion of Canada.

THE FINANCIAL POST OF CANADA

President - - - - - - JOHN BAYNE MACLEAN
Vice-President - - - - - - - H. T. HUNTER
Manager - - - - - - - - - - R. G. DINGMAN

A weekly newspaper, presenting in a popular manner reliable information respecting investments and financial affairs in Canada.

No paid advertising, other than annual reports or official notices of corporations, will be inserted in the news columns unless marked "Advertisements."

Advertising matter is investigated before publication, and none of known questionable character is accepted. Acceptance of advertising will not deter the editorial department from making such comments as the situation may demand.

ADVERTISING RATES:

Single insertion	$ 1.50 per inch
Yearly insertion	40.00 per inch
Financial Reports, Prospectuses, etc., 15 cents per agate line.	

SUBSCRIPTION PRICE:

Canada and Mexico	$3.00 per annum
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Great Britain, Ireland and Colonies having minimum postal rates	12s. 6d.
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Subscribers are especially requested to report any instance of delay or non-delivery of THE POST.

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Toronto, November 10, 1917.

THE VICTORY LOAN.

ON every hand the duty of investing in Victory Bonds is being so strongly impressed on the Canadian people that it is almost superfluous for us to add another word to the exhortation. From far and near come reports that indicate the completion of a selling organization unparalleled in the history of the country. This organization, promoted by the leading citizens of the Dominion and backed by most effective publicity methods, both direct and indirect, will carry the crusade to the remotest corners of the land, will convince everyone of the necessity of raising millions for the prosecution of the war.

We would like to impress upon our readers, however, apart altogether from motives of duty, the pecuniary advantages to be derived from participation in the loan. As a cold business proposition, investment in Victory bonds is a most desirable venture. Think of Dominion of Canada securities yielding within a few points of six per cent., with a conversion privilege attached which will enable holders to benefit from a possible higher yield on future issues. It is an opportunity of rarest occurrence and of extraordinary possibilities.

The yield, indeed, on these Victory bonds is so high that some patriots will be inclined to question its necessity. High yields are doubtless desirable in order to make sure of an overwhelming success, but, even so, it is being asked whether, with such a strong selling organization in existence, the loan could not have been floated to quite as good advantage at a less cost to the government. Be this as it may, the fact remains that the return on the bonds is admittedly high and he would be a foolish investor who would hesitate to take every possible advantage of the opportunity to put out his money on these alluring terms.

HOW MUCH LONGER?

THE case of the American railroads—the demand of the carriers for the 15 per cent. increase—has reopened at Washington. Opposition is crumbling under the fire of the fact-proven demands of the carriers that they must have higher profits in order that they may give efficient service. In fact the question now appears to be: How much more than the 15 per cent. will the roads have to be allowed in order that they may play their part in winning the war?

The United States has been in the war a few months. The place of the railroads in the national organisation for war-time efficiency is being recognized. Canada has been in the war for more than three years and the Railway Commission, despite arguments that must long ago have overcome any intelligent objections, sits passive while the systems are being so run down that there is serious danger of the whole national machine being seriously interfered with.

If it has been because the advance was refused in the United States that the Canadian Commission has held its hand, that excuse will soon be removed. Canadian business, Canadian manufacturing and Canadian agriculture—although it may be too near sighted to see it—need the maximum of efficiency in transportation service at this time and the starvation of the railroads must cease if they are to give that service.

THE PUBLIC BE—SERVED.

IT has been previously pointed out in these columns that it is the duty of a public utility to serve the public Whether that utility is operated by a private corporation or under public ownership, its success will eventually depend upon its measure of service. That we generally favor private administration as compared with public administration is because experience has proven that in almost every case the former is efficient where the latter is not.

With success depending upon service to the people, private corporations should not only provide that service, but they should in their own interests convince the people that they are doing so and maintain friendly and open relations. The troubles of private corporations are usually due to the fact that they get "in wrong" with the public. And the motto of such companies should be that the "public is always right."

Let us, therefore, extend congratulations to the Winnipeg Electric Railway Company upon the declaration of policy of the new manager, A. W. McLimont, which is given to readers of THE FINANCIAL POST in an interview reported in this issue.

THE HAMILTON COMMISSION AND THE HYDRO PROJECTS

IT has been the argument of THE FINANCIAL POST against the Hydro-Electric projects of Sir Adam Beck that not only does public ownership foreshadow inefficiency and waste which will eventually reflect upon the ratepayer in heavier tax burdens—even though the direct charges may be maintained at a low level—but that the projects themselves are fundamentally unsound from the business standpoint; that they reveal under analysis a lack of understanding of financial and industrial conditions and an absence of foresight as to the future. Emphatic and conclusive evidence of the soundness of this argument has recently been given. The Hydro-Electric Radials Scheme—a project into which Beck has shown a desire to plunge the municipalities with characteristic recklessness—has been condemned by a commission composed of such eminent business, transportation and engineering authorities as Lt.-Col. R. W. Leonard, Sir John Kennedy, W. F. Tye, L. A. Herdt and Walter J. Francis.

The report of this commission was made to the citizens of Hamilton, where there has been considerable alarm felt in connection with the power shortage and other developments. It concerns Sir Adam's project to build an electric road between Port Credit and St. Catharines. The finding by this body of eminent authorities is the first competent disinterested expression in connection with the extensive Beck radial proposals which has been given to the Ontario public and as such it should have serious consideration. The report shows:

(1) That the railway is unnecessary, as there are competitive transportation systems sufficient for all requirements at the present time.

(2) Because good roads are infinitely preferable under the circumstances to an additional railroad.

(3) Because the operating loss of the road would be nearly half a million dollars per annum for the first ten years.

(4) Because the loss for the second ten years would be over $400,000 per annum.

Following are some details of the financial prospects of the scheme under local traffic conditions:

Revenue from operation, 59.6 miles, at $6,000 per mile	$357,600
Operating expenses, 61 per cent. of $357,600	218,136
Net operating revenue	$139,464
Fixed charges—	
Interest on $11,360,363 (as given by the Hydro-Electric Commission), at 5½ per cent.	$624,820
Yearly deficit, exclusive of taxes and sinking fund	$485,356

(Sinking fund is not chargeable during the first ten years).

Your board further estimates that the financial statement of the proposed line under all traffic conditions will be as follows, after ten years:—

Revenue from operation, 59.6 miles, at $16,000 per mile	$953,600
Operating expenses, 65 per cent. of $953,600	619,840
Net operating revenue	$333,440
Fixed charges—	
Interest on $11,360,363 (as given by the Hydro-Electric Power Commission), at 5½ per cent.	$624,820
Sinking fund, 1 per cent.	113,604
	$788,424
Yearly deficit, exclusive of taxes	$404,664

The cost of an extension to the frontier has been estimated at about $2,280,000, arrived at from a consideration of the figures given by the commission for the line from Port Credit to St. Catharines.

Need for Investigation.

In view of the report of this commission of competent authorities, following on the other developments which have been referred to from time to time, THE FINANCIAL POST repeats its advice to the municipalities and its demand upon the government that a commission of engineering and financial experts be appointed to go into the whole situation so that the province may be protected from plunging into a financial quagmire.

The power situation too is approaching a crisis. It is estimated that there is a shortage of nearly 100,000 horsepower without provision to meet it. The municipalities which have carried through the project are being asked to curtail their requirements in order that contracts may be filled which were made in the face of an actual shortage of supply. On the ground that munitions contracts must be filled, Sir Adam makes an appeal to the Dominion Government to prevent the export of power to the United States and as a result Sir Henry Drayton has been appointed "controller of the production and electrical energy by companies generating or distributing electrical energy in the Province of Ontario."

However, the government is in a quandary for the reason that if the consumers on the other side of the line are cut off from the supplies of power to which they are entitled by contract the United States government will undoubtedly be called upon to retaliate by conserving coal supplies for American industries or to take other steps to insure observation of the existing agreements.

Sir Henry Drayton's Problem.

It is obvious that Sir Henry Drayton has assumed responsibilities in regard to a position in which he can exercise little, if any, real control. In fact he states that in view of the fact that if more power were taken for Canadian industries that plants in the States would suffer, "The overlying Canadian interest, as I see it, is best served by insuring the continued operation of munition plants both in Canada and the United States."

This is probably the case for the reason pointed out—that there would be measures of retaliation on the part of the American government were existing power agreements ignored. Also it might be further pointed out that the biggest exporter of power to the States is the Ontario Power Company, which has been purchased by Sir Adam Beck. Even Sir Adam Beck could hardly ask that the exportations of the private companies be cut down while in living up to his own agreements he himself is a much greater offender.

In the meantime Sir Henry recommends that things be allowed to go on as they are. Sir Adam is allowed to hold his hand for the time being. And it cannot be denied that it is pretty good politics to take just this course in view of the oncoming election and the fact that the Power Knight is a pretty big factor in the political situation in Ontario.

GETTING OUT OF A RUT AND WINNING SUCCESS

The Example of Garnet Willard, Famous Railroader, is an Inspiration to Those Still "on the Way."

SOME time ago a sketch was printed of Daniel Willard, chairman of the U. S. Advisory Committee of National Defense and of its sub-committees on Transportation. It told of his remarkable career and presented the personality of this great railroad man in a comprehensive way. The story of Willard is told somewhat differently by B. C. Forbes in the American Magazine, so differently in fact that the new version is well worth reprinting:

How can a man no longer a youth, and occupying a moderately good position, get out of a rut which has only a stone wall ahead?

Should he stay where he is, even though he feels that he is capable of bigger things, if the opportunity came his way?

Or should he, despite domestic responsibilities, bestir himself and run all the risk incidental to making a change which, at the start, might mean a scaling down of his mode of living, with no certainty that the new field would prove congenial or that he would completely suit his employers?

The editor of *The American Magazine* received a letter which prompted him to find a man who had once been so situated, but who had overcome all obstacles and risen to conspicuous success.

The commission given me by the editor was: "Get a man filling one of the greatest railroad positions in the country who was up against this very same hurdle at one stage of his career, and ask him to tell very specifically and in detail—giving names and dates and all that—just how he fought his way out of the rut and got around the stone wall that faced him. If we can show exactly how one man went about solving the problem, others may profit by the example."

My first thought naturally was, Who is the man holding *the* most important railroad position in America to-day?

The immediate answer was, Daniel Willard, for he is chairman of the Advisory Commission of the Council of National Defense and of its sub-Committee on Transportation, and, as such, the superdirector of *all* transportation throughout the United States. Moreover, Mr. Willard, I knew, had had to do his own climbing from track laborer to the presidency of the Baltimore & Ohio Railroad, which he has filled with such notable success for the last seven years that he has not only won recognition as the builder of a new B. & O. system, but was called upon by the country's railroad heads to lead their epochal fight for fairer freight rates.

I accordingly journeyed to Washington. I found Mr. Willard wrestling with a mountain of war-transportation and communication problems. A line of visitors, from an army general down, were waiting their turn to see him.

Energy, Force and Nerve.

Mr. Willard is the embodiment of energy, force, verve. His words and acts personify a rapid-fire gun in action. His mind suggests chain-lightning. His eyes now sparkle, now flash—he has a streak of humor and does not feel called upon to hide it continually, even in war time. A many-years acquaintance won me a friendly reception.

He read the letter of the railroad worker. Then he smiled.

"I was in the same fix," Mr. Willard remarked. "If I hadn't made a move I would have been there, or thereabout, still, because the men who were ahead of me remained—and opportunities on that line were limited."

"Tell me all about it," I prompted. "The shifts you made evidently proved very wise, judging by the rapid strides you have made."

"That notion that I have traveled fast is wrong," Mr. Willard interrupted. "Up to the time I was nearly forty years old, while I had never made more than two hundred dollars a month, I had undergone a lot of useful experience."

"What were your experiences? That's what I want to know?"

"My story is so plain, so unromantic, so devoid of unusual feature or interest that it would disappoint you," Mr. Willard parried.

"Perhaps I would be a better judge of that than you."

I was determined to get the enlightenment the editor's correspondent wanted. I also knew that Mr. Willard's career *was* full of inspiration and suggestion, that he had encountered hardships, and had exhibited stern qualities in overcoming them. His rise from the bottom to the top had not been a pleasant, effortless ride on an escalator; he had had to foot every step, climb every rung without aid or influence.

Born on a two-hundred-acre Vermont farm, in 1861, he had to do more than the usual number of chores, as he was the only boy on the place. Although not a brilliant scholar, he won a teacher's certificate before he was sixteen, taught school one winter, graduated from high school when seventeen, wanted to go to Dartmouth College, but couldn't find the money, and, instead, went for two terms to the Massachusetts Agricultural College at Amherst, where tuition was free. His ambitions ran first to law and then to medicine, but too intent study so impaired his eyesight that he was forced to leave college. Life on the farm, however, offered no glittering future. A railroad, the Vermont Central, ran through his father's meadow. Why not become a fireman—and perhaps an engine driver if his eyesight recovered? That was a goal worth working toward.

His First Railway Job.

At eighteen Dan Willard found his first railway job, as a track laborer: pay, ninety cents a day. The laborer by day studied medicine by night. Within four months he landed a fireman's job on a neighboring line. Wood was then the staple fuel, and it was not play keeping the wheezy locomotive adequately stoked. But he must have done it satisfactorily, for in two years he attained his railway ambition: he was made an engineer.

For a time he was happy and content. The pay yielded a comfortable living; the work was congenial; he was near home and friends; the job promised to be permanent. What more could a normal human being desire?

Dan Willard by and by realized he had settled into a rut—a comfortable rut, but, nevertheless, a rut.

"At the end of two years as locomotive engineer I decided to strike out," Mr. Willard related reminiscently. "It was well I did. The man who was my superintendent on that road is still superintendent of the same division although he has had several opportunities for high positions, but declined them, and others who were there in my time are still there. Had I stayed I might have been a passenger engineer, but probably nothing higher."

Off he went to Elkhart, Indiana, where he had a friend working on the Lake Shore and Michigan Southern. Here he was fortunate in getting an engineer's job. The pay was fully one hundred dollars a month, a long jump from the sixty dollars or sixty-five dollars paid back home. Dan Willard felt he was getting on in the world.

Alas, acute depression came, the road had to retrench, and Engineer Willard was dropped. He had enjoyed his fat pay less than seven months.

Then came a period of character testing, of stamina trying. First one road and then another turned him down because he looked too young and inexperienced to be intrusted with an engine—this was in 1884, when he was twenty-three, and as he wore no mustache and was not a giant in stature he looked boyish. One months, two months, three months passed without bringing employment. Would he pocket his pride, bid good-by to his ambitions and return home, an out-of-work, an adventurer who had sought to fight the wider world, and had lost?

No! He would fight it out. He had saved his money prudently. He could live on a few dollars a week. Depression would not grip the country for ever. By constantly trying, he would capture a job some day. He would not sneak back home like a whipped cur.

Pluck and Persistency.

Pluck and persistency finally won. Fate had sought a joust with him and he had not been thrown. An enterprising, far-seeing Westerner, Senator Washburn of Minneapolis, conceived a new railway project, and work was started on it. Young Willard, alert for any possible opening, applied for a job. There was only half-a-mile of track and one engine, which was already manned. Very well, what other jobs were there? Would the engineer care to act as a brakeman? If that was the best to be had, why, certainly he would take it.

For a second time, while engaged in the roughest kind of work, living under the most uncivilized conditions and earning much less than an engineer's pay, Dan Willard was put to the test. Would he grab a present advantage and thereby sacrifice a possible future? The Michigan Southern offered him his old job as engineer. It carried good pay, the hours were reasonable and the work was attractive. How great was the contrast between such conditions and those under which Willard was then existing let him describe in his own words:

"When I began braking on the 'Soo' line, which is now a four-thousand-mile system, it had half a mile of track, one engine, one locomotive engineer and one conductor. Soon we had forty-six miles of track, with one train running each way daily. I was made mechanical foreman. That sounds all right. But my job included not merely making what locomotive repairs were necessary, and repairs to freight cars, but keeping the coaches clean, sweeping them out regularly, looking after repairs on the line, jumping in to take the place of engineer or conductor whenever occasion arose, and acting as telegraph operator. Yes, I had taken the precaution very early to master telegraphy as a possible stepping-stone some day.

"Besides all that, I had to take care of the roundhouse. In winter we had cold—fifty-five degrees below zero—and no steam heat. My worst problem was to keep the water in the engines from freezing during the night. I had to sleep alongside the engines in my underclothing, and every two hours or so I had to get up and put wood in four little stoves that tried to fight away the frost. I hit upon the plan of placing pails containing an inch or two of water here and there over the floor, and when I got up in semi-darkness I used to feel each pail if the water had begun to freeze. If there was no ice, I shut the dampers so that I wouldn't have to get out of bed again so soon; if there was any ice I would fill up the stoves and leave the dampers open to prevent disaster."

Are there many young college-bred men to-day who would elect to lead a life of that kind rather than accept a comfortable job such as locomotive engineer on a large, well-organized road? Instead of eight hours' duty, Willard was on duty twenty-four hours every day, Sundays and holidays included.

He Roughed It.

During these early construction days on the Minneapolis, St. Paul & Sault Ste. Marie Railway—the now famous "Soo" line—the young man-of-all-work had to sleep sometimes on the ground, sometimes in box cars, sometimes over saloons or similar dens, rubbing shoulders with uncouth navvies and the scum of the earth, men and women. These were pioneer times, and the building of a railroad, entailing the spending of much money in wages, attracted all sorts of adventurers, including cut-throats, robbers, gamblers, drink-sellers, harpies. Young Willard, however, although compelled to eat at the same table as this flotsam and jetsam, attended strictly to his own business, did no drinking, joined no card parties, participated in no dancing or other jollities. Yet not once was he drawn into any row nor was he ever treated with anything but respect.

As construction proceeded, Willard acted as conductor, engineer and various other things. When the road was between four hundred and five hundred miles long F. D. Underwood (now president of the Erie and recognized as one of America's ablest railroad giants) was appointed general manager. Willard then had the title of "General Foreman" of some two hundred miles of the road. He had to take care of about twenty-five engines and several hundred cars, had to act as storekeeper, keep the materials account, record the time of all the men and, in short, see that everything was done properly. No work was too menial, too unimportant, or too onerous for him to tackle.

In 1887 various parts of the system were linked together under one large organization, and for a time Willard ran a passenger engine out of Minneapolis. But his superiors, recognizing that he was fit for bigger tasks, made him trainmaster and, after several years' service, assistant superintendent.

"There was a time at that early stage of my life when I was exactly where your correspondent is," said Mr. Willard. "It looked as if there would be no chance of further promotion. The places ahead of me were capably filled by youngish men.

"Edmund Pennington was superintendent and Mr. Underwood the general manager, both young. The panic of 1893 came, and all expenses were cut to the minimum. I was married, had two young children and was just able to get along. One year followed another without bringing any improvement in my prospects. The future was not bright, and I began to look around in earnest for a more attractive opening.

"Meanwhile I spent my available time studying railroading. I bought and read and reread every railroad book that I could find—the bibliography of railroading was not then what it is now. My bible was Wellington's 'Economic Theory of Railroad Location,' a 700 or 800-page volume which is still standard. 'Railroad Transportation,' by Professor Arthur T. Hadley, was also very helpful. So were the books of Governor Larrabee of Iowa, and A. B. Stickney, of the Great Western. Captain W. W. Rich, the first chief engineer of the 'Soo' line, had early filled me full of admiration for the engineering profession, and I spent much time studying engineering books. I really did my best to learn everything I could about railroading in all its phases. Fortunately, it was a keen pleasure for me to read, so I had no temptation to waste my time aimlessly.

"Eight years passed without bringing any visible reward. I was still assistant superintendent, earning less than two hundred dollars a month. Every place above me was filled, and apparently likely to remain filled for years to come."

It is eternally true, however, that responsibility seeks shoulders able to bear it. Here was an obscure assistant superintendent who had diligently used his school years, had not scorned to start as a track laborer, had not hesitated to leave the narrow environment of his private territory as soon as he found progress there impossible, had withstood a long spell of enforced idleness without wilting, had stuck to a twenty-four-hour-a-day job beset with hardship and even danger rather than accept an invitation to return to a comfortable rut, had filled every conceivable minor position in railroading, had risen to the rank of assistant superintendent—and had saturated himself with enough theoretical as well as practical railroad knowledge to qualify for almost any executive post.

Getting Above the Job.

When a man becomes conspicuously larger than his job, when his ability impresses everyone around him, when his personality radiates leadership qualities, something is certain to happen sooner or later. Such a man usually develops unquestioning self-confidence; he knows in his heart that he is master of his profession, and this knowledge, born of merit, emboldens him to seek to mold circumstances, whereas the man of less caliber, less experience, less training, and less vision is apt to let circumstances mold him. He is afraid to strike out. He fears he may not make good. Moreover, the man of exceptional parts always stands a chance of attracting the eye of leaders, for leaders are ever on the lookout for the right stamp of human material. The big job often seeks the big man. When it doesn't, the big man is likely to seek the big job.

In Willard's case, the job, after many years of patient plodding and vigilant preparation both in theory and practice, sought the man. Mr. Underwood, even then a railroad operator of brilliant ability, was offered the general managership of the Baltimore & Ohio Railroad, and his first care was to find some man he knew to become his right-hand man as assistant general manager. Now Underwood had not been thrown in close contact with Trainmaster Willard. Willard reported to another officer and had not seen Underwood to speak to more than half-a-dozen times. Underwood, however, had not gone through life with his eyes in his vest pockets; he knew how to spot men. He was guided in his selection of Willard solely by the latter's record and his inspiring personality.

Again the problem confronted Daniel Willard of whether it would be better to stay with one property in a moderately responsible position and with whose operation he was thoroughly familiar after fourteen years' service, or whether he should risk making a change. Mr. Pennington made Willard's problem all the more difficult by offering him the important position of general superintendent, a really tempting proposition, since it was only one office removed from the general managership.

"My decision was influenced, I fear, partly by sentimental reasons," Mr. Willard told me. "There was a peculiar interest attaching to the B. & O.; I was, of course, familiar with its long history, I had some knowledge of its potentialities, and I had great admiration for Mr. Underwood. So to Baltimore I went. I was put in charge of maintenance of way and equipment of the road."

The long years of self-education, self-improvement, diversified experience and intense industry were now bearing fruit in greater and greater abundance. Within two years Mr. Underwood was elected president of the Erie, and he had found Willard so indispensable that he induced him to go along as assistant to the president. But, just as in the case of the "Soo" line, the B. & O. did not want to part with Willard. President John K. Cowen tried hard to induce Willard to remain as general manager of the whole B. & O. system. This was really a big thing. It paid a much better salary than the Erie was going to pay, and the office of general manager carried more weight than the elastic position of "Assistant to the President," a job which may mean much or may mean extremely little. However, Willard had told Underwood he would go, and he went.

DOLLAR EXCHANGE.

Canada.

The mysteries of exchange and depreciation of currency are very intricate things. Canada wants to sell and England wants to buy much larger quantities of produce and munitions, and yet this most desirable object is thwarted and hindered by the troublesome "dollar exchange." Tonnage, as everyone knows, is an almost dominant factor. Therefore it is better to import shells than iron ore. Were it not for the question of exchange, every shell factory in Canada would be working at full pressure, and British industry and British steel would be more largely used for other purposes.

SCRAPPING THE BIG ASSETS OF THE NATION

Some Arguments to Show Why the Railroads Should Have Greater Revenue to Insure Efficient Aid in Winning the War.

In the United States it is being recognized, now that the nation is at war, that the railroads are an important factor in national efficiency. At the re-opened inquiry before the Interstate Commerce Commission the objections to the demands for a 15 per cent. increase in rates are crumbling. Now it is not so much a question of giving the 15 per cent. asked for, but of how much more must be allowed the big carriers in order to insure that they will be able to play their full part in the winning of the war. Following is an editorial from the New York "Sun":

In 1915 according to Slason Thompson's *Railway Statistics of the United States of America*, 2,159 savings banks having 11,285,755 depositors reported that 11.8 per cent. of the securities held by them as assets consisted of the stocks and bonds of railway corporations.

That is, a little more than $4 of every $10 in our savings banks depends for its safety upon the maintenance of railway values, both the abstract values of railway stocks and bonds and the real values of tracks and trains.

In 1914 there were 39,582,673 life insurance policies in force in the United States, and 31 per cent. of the assets behind these policies consisted of railway securities.

In other words, over $3 of every $10 available to pay insurance, or lend on life insurance contracts, depended on the maintenance of railway values, abstract and actual.

Direct ownership of the railways is in the hands of a half million shareholders, including the savings banks and life insurance companies. Indirect ownership of the railways is in the hands of 12,000,000 savings bank depositors and 40,000,000 life insurance policyholders.

There are no figures as to the number of creditors, or bondholders of American railways, except as they are comprised in the totals above. But plainly the principal creditors of the roads are the people of the country whose savings are invested in the railways.

These are the facts which make the financial condition of the railroads a matter of vast importance in peace times to every person having money in a savings bank or an interest of any kind in a life insurance policy.

In times of war this normal importance is enhanced by several additional factors.

The maintenance of railway values is then of immediate consequence to each person who may wish to borrow on a life insurance contract, or to borrow of the savings bank, or even merely to receive his normal dividends on life insurance or rate of interest on depositors. It is imperative to the merchant and the shipper of goods that under the strain of transporting their supplies the railroads shall not go to pieces, shall be able to make necessary repairs and replacements, shall be able to lay a certain amount of necessary new track, if only for additional sidings and enlargement at terminals, shall be able to buy new cars to haul the freight offered, shall be able to earn enough so that despite the higher cost of labor and all materials they can meet debt charges and maintain dividends sufficient to enable them to borrow frugally at reasonable rates.

This is the importance to the American people individually of railway maintenance in war time; of the paramount importance to them collectively and nationally not much need be said, the thing is so obvious.

The roads must be able to haul troops and war supplies on time.

The roads must be able to do it safely. This means money for repairs to equipment, money for new track and first class roadbed, money for signal systems, switching systems, skilled and efficient labor.

The most vital thing to Pershing's success over which he has full control is the American railroads in France. Quite as vital are some other things over which he has no control, and of these not the least is the American railroads in America.

Now what, under these circumstances in which we are fighting, do you suppose General Pershing would do if he could exercise over the railroads of the United States that complete control that he exercises over our rail lines in France?

Would he, in the interest of winning the war, let the value of nineteen American railway stocks fall $1,000,000,000 in six months so as to jeopardize the flotation of our Liberty loans?

Would he, in the interest of winning the war, let the value of American railway bonds decline nearly $1,000,000,000 in ten months, as they have since January 1, 1917?

Would he make it thus impossible for the railways to borrow money even for repairs and replacements?

Would he thus permit it to be made impossible for holders of railway stocks and bonds to subscribe adequately to the Liberty loans?

Would General Pershing, confronted with rising costs, so restrict railway rates that despite larger gross earnings there would be $31,000,000 less to spend on repairs and replacements, and $188,000,000 less than ought to be spent on repairs and replacements judged by upkeep of previous years?

General Pershing would certainly not do any of these things in the interest of winning the war. Wars are not won by scrapping the national assets, and that perhaps the greatest single possession over which we have full control.

The Victory Loan

November 12th, 1917

Royal Securities Corporation, Limited
164 St. James St.
MONTREAL

OPPOSITION TO RATE INCREASE DYING IN UNITED STATES

Continued from page 1.

of labor, fuel, supplies, taxes and of obtaining new capital;

"(b) Inability to secure and retain efficient labor;

"(c) Curtailment of maintenance expenses, which curtailment is due in part to inability to secure necessary labor and materials;

"(d) Decrease in net operating income, notwithstanding large increase in operating revenues, in properties only essential for the traffic of to-day, but equally essential for the traffic of the future."

"(e) Reduction in surplus with consequent effect upon the credit of the carriers;

"(f) Inability to secure new capital by the issue of stock, with the consequent weakening effect upon the financial structure;

"(g) Inability to provide improvements and facilities, not only essential for present traffic, but also for the traffic of future."

Against the increased costs at $74,221,000 per year now confronting the Pennsylvania system, Mr. Rea estimated the increases in rates already granted at only $30,000,000, and those pending in commodity rates at $12,500,000 per year, leaving an increase unprovided for of $31,721,000 in the cost per annum of rendering transportation service.

Directing attention to the unproductiveness of new capital put into railroad enterprises, Mr. Rea said that the net operating income of the Pennsylvania system for the year ending June 30, 1917, was only $1,300,000 greater than in 1910, "although in the meantime $380,000,000 had been added to the property investment account."

"If the proper maintenance charges are not included in the operating expenses, the net operating income and the net corporate income are to that extent overstated, and if we are handling this immense business and wearing out our track and equipment without making proper charges to operating expenses, therefore, then we are consuming our capital to the extent of such understatement of such maintenance accounts.

"During the nine months ending September, 1917," he continued, "our total operating revenues have increased $38,000,000 or 11.68 per cent., our operating expenses have increased $47,000,000, or 20.53 per cent., while our net operating income has decreased $13,380,000, or 17.09 per cent."

The railroads, he stated, should be in a position to follow the same policy, with reference to improvement, as the Government recognize in financing the war. Some should be paid for out of surplus earnings and some out of new capital, he said.

"In this connection," he continued, "I must again refer to the importance to the general interests of the country of the railroads being able to secure additional capital by the issue of stock and not almost exclusively by the issue of bonds or short term notes."

Smith, of N. Y. Central.

A. H. Smith, president of the New York Central Lines, emphasized the importance of good physical condition in the railroads as "the first line of communication with our armies," and continued:

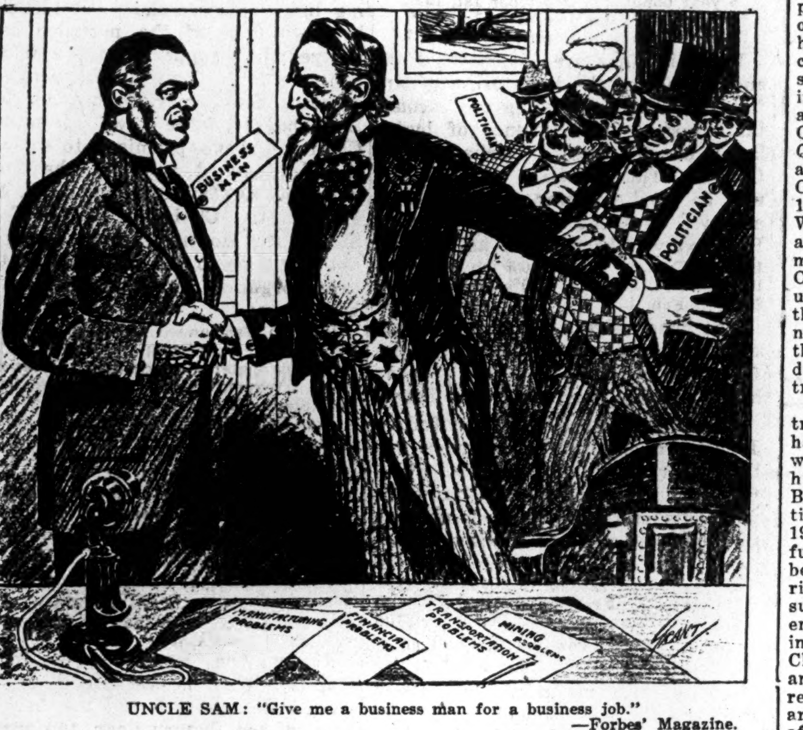
"Does it not appeal to you that to ask any business to absorb the enormous increases in cost of operation that have come to the railroads in the past year, without in any substantial way increasing their rates, is to require them to do the impossible? The railway companies cannot accomplish what the government itself has never been able to do—keep labor at pre-war wages and hold prices down to pre-war levels. A government may conscript capital and it may impress labor to carry on its work—an extreme measure to which we hope ours will not have to resort—but private corporations are powerless to do this and must compete in the markets for their capital, labor and supplies.

"For the six years up to and including 1916, the operating ratio of the New York Central Lines combined averaged a little in excess of 70 per cent.; that is, out of the average dollar earned, 70 cents were required to pay operating expenses. The remaining 30 cents covered taxes, rents, interest, dividends and other capital requirements. Of this 70 cents, about 42 cents were paid directly to labor and 28 cents were spent for materials and supplies. In the past year there has come an increase of 11 per cent in the rate of wages, which, if added to the previous 42 cents, would raise labor cost to 46.6 cents. Prices of materials have increased 50%, which, if added to the 28 cents formerly spent, would make the materials cost 42 cents on the same relative expenditure. Other things remaining the same, labor and materials, on the basis of average conditions and this year's wages and prices, would now absorb 88.6 cents out of each dollar. The ratio on the New York Central, it should be added, has not been permitted to rise to 88.6% in spite of the assumption of additional costs. In struggling against these adverse circumstances, constant effort and sacrifices have had to be made to prevent a rise in operating costs fully as great as that in prices and wages.

"Can we offset the additional cost imposed upon us by this war through increased efficiency? Efficiency is largely a matter of trained energetic men, equipped with the best of tools, but we cannot, if we would, compete with the 'cost plus' contractors, and the Government, or the special industries fostered by it, are constantly taking away railway employes. Many of our old men remain with us and, frankly, many of them are underpaid. If present conditions continue we shall undoubtedly have a further increase in expenses on account of the wages which require readjustment. New men are constantly being broken in, and efficiency, which we may try ever so hard to maintain, is not gained by this process.

"We estimate that at the close of the current year the New York Central Lines will show that they have earned approximately $93,000,000 more in gross revenues than they did in 1915. That of itself ought to mean prosperity, but the changes have been so great in these two years that they will have, after doing all this extra work, actually less net corporate income by several millions than they had in 1915.

"The wasting of the railroad machinery without adequate replacement cannot continue indefinitely. Due to the strong foundation on which some of these railroads were built, due to the maintenance that has been given them in the past, they went into the war period of rising prices, able to stand some sapping of maintenance. But they cannot continue that and they cannot be loaded with constantly expanding business without giving them back what is necessary to sustain them. * * * Good condition implies that they shall not only be maintained physically, but that they shall be able to expand in such degree as will enable them to care for their peak load. The railroad companies cannot secure any substantial sum through the sale of bonds and the sale of stock is utterly out of the question.



UNCLE SAM: "Give me a business man for a business job."
—Forbes' Magazine.

CURRENT OPINION

WHAT BORDEN ACCOMPLISHED!

Christian Science Monitor, Boston.

"In forming the new National Ministry in Canada, Sir Robert Borden has done a fine thing, and done it in a great way. It will not be disputed, it is to be imagined, by anybody, least of all by a Canadian, that party feeling runs particularly high in the oldest of the Dominions. It has been the rule in Canadian politics for the winner to take his pound of flesh, and anything over and above the pound which might be within his power. In a great National crisis Sir Robert Borden has broken through tradition. He has gone back to the golden age of the Roman Republic, when none was for a party, when all were for the state. In plain English, in the very height of his power, he has formed a National Ministry in which the offices are divided equally between his own party and the Liberal party."

WHEN THE IDLE RICH MANAGED.

Evening Telegram, Toronto

Labor is described by Lord Hugh Cecil, M.P., as destitute of the balance of mind required for discussion and decision in foreign politics.

Labor in its Pacifist and Socialistic forms has inherited or acquired all the incapacity mentioned by Lord Hugh Cecil.

But British Labor and British Democracy do not monopolize the whole visible supply of incapacity for dealing with foreign affairs. That incapacity may be partly shared by Lord Hugh Cecil, son of the Marquis of Salisbury, who gave Heligoland to Germany, the same Salisbury whom Bismarck described as "a lath painted to look like iron."

Labor could not have bungled Britain's foreign policy more completely than that policy was bungled by Lord Hugh Cecil's own father. The so-called great Lord Salisbury was duped and outwitted by Germany in his ponderous affectation of foresight and wisdom that revealed itself in nothing better than his superiority to criticism in foreign affairs, many in his own party regarding him as too much inclined to "split the difference" and to make "graceful concessions," as in the case of the cession of Heligoland to Germany.

Germany could have never gone to war if Heligoland had remained British. Lord Salisbury's cession of Heligoland was the greatest example of incompetence recorded in the long series of blunders that make up the history of Victorian statesmen, Lord Palmerston excepted, in dealing with Germany.

BUSINESS BOUND TO LABOR.

Ex-President Roosevelt in a recent address took the same view of business as THE POST has always consistently advocated. He arraigned demagogues for conscienceless attacks against the welfare of business.

"There can be no permanent spiritual uplift," he said, "unless on a basis of reasonable material well being. There must be fair play for the workingman and farmer, and on the other hand there must be business well being, for otherwise there cannot be permanent prosperity for every one. In other words, it is entirely impossible wisely to treat the business and labor problems save as indissolubly bound together. The conditions must be such that the business man prospers, or else nobody else will prosper; and yet, unless the prosperity is shared in reasonable degree by the men who work with him and by the public for which he works, it is of little or no worth to the community.

"We must insist on business prosperity, because otherwise there will be no prosperity at all, and we must insist on reasonable equity in passing the prosperity around or it will not be worth having. The demagogue who talks against and seeks to interfere with business prosperity is really the same kind of enemy of the commonwealth as his nominal foe, the reactionary who refuses to acknowledge the duty of the Government to see to it that there is measurable equity in the distribution of the fruits of prosperity.

"Demagogic effort to break up or destroy all business merely because it is big or prosperous is thoroughly mischievous from every standpoint. The aim should be to encourage business and to control it; to secure co-operation among those engaged in business as far as possible, and to supervise large scale business so as to secure its good behavior, but not to penalize it while it renders proper service. At this moment the Government practically has suspended the Sherman law and along certain lines is encouraging business men to do the very things that the Sherman law forbids. But, of course, if the Sherman law hurts our business in time of war it also hurts it in time of peace. Instead of having the Administration connive at breaking the law at this time the law should be amended so as to make it unnecessary to break it at all—along the line of seeing that business is both encouraged and controlled."

PERSONAL

ROBERT ABERCROMBIE PRINGLE, K.C., who has been made Controller of Newsprint and Bookprint for Canada, has recently been much in the public eye—particularly so far as the paper industry is concerned—as the government commissioner who has been inquiring into the cost of newsprint in Canada. He will have broad authority as to the fixing of prices and will co-operate with American authorities in the matter of insuring adequate supplies. A lawyer by profession, a member of an Ottawa legal firm, he was elected to the Commons for Stormont in 1900 and in 1908; was defeated in 1908 and declined a nomination in 1911.

HON. JOHN DOUGLAS HAZEN, B.A., LL.D., former premier of New Brunswick, late Minister of Marine and Naval Affairs and this week made Chief Justice of New Brunswick, attained his political success through the legal profession, but is also known in financial circles in the Maritimes, being a director of the Eastern Trust Company. He was called to the bar in 1883 and elected to the House of Commons for St. John city in 1891. He was defeated for the Commons in 1896 and elected to the New Brunswick Legislature in 1899, being re-elected in 1903 and 1908. Leading the Opposition, he defeated the Robinson government in 1908 and three years later entered the Borden government.

SAMUEL J. HUNGERFORD, newly appointed general manager of Eastern lines of the Canadian Northern Railway, after having been for the past two years in charge of all the rolling stock of the system, was born near Bedford, Quebec, in 1872, and in 1886 became machinist's apprentice of the South Eastern and Canadian Pacific Railway at Farnham, Quebec. In 1894 came his first official appointment, that of chargeman for the C.P.R. at Windsor Street, Montreal. In 1903 he was made master mechanic, Western division, of the Canadian Pacific at Calgary, and five years later was made superintendent of shops for the C.P.R. at Winnipeg. There he remained until March 1st, 1910, when he joined the Canadian Northern Railway at Winnipeg, and in 1915 he was moved to the head office at Toronto, and his jurisdiction extended to the 10,000 miles of trackage of the Canadian Northern.

HERBERT HOOVER, who is in control of the food situation in America, has had an extraordinary career, in which he has been devotedly assisted by his wife. The two went through the Boxer Rebellion in China. They participated in the defence of Tsientsin in 1900. For six weeks, along with a handful of beleagered Americans, they lived behind a barricade of sugar barrels and rice bags. Mrs. Hoover's activities in suppressing the Boxer uprising were so energetic that her life was constantly in danger. On several occasions the Chinese believed they had killed her, and she had the unusual experience of reading three columns of her own obituary in a Peking newspaper. A few years after the Boxer Rebellion the Hoovers were living in London, and Mr. Hoover was at the head of several mining companies situated all over the world. They were wealthy, with an income of thirty thousand a year. But they impoverished themselves by their work for Belgium, which was entirely without compensation. Mr. Hoover stipulated when he accepted President Wilson's invitation, that he should work for nothing and that all his assistants should be unpaid volunteers.

WILLIAM REES BROCK, the Toronto merchant prince whose name is widely known in the Canadian wholesale dry-goods trade, and whose death took place recently, was widely known in financial as well as business circles. Besides being President of the W. R. Brock Company, Ltd., he was a director of the Dominion Lands Colonization Co., the British Columbia Loan and Investment Co., Toronto Electric Light Co., Electrical Development Co. of Ontario, Accident Insurance Co., Toronto General Trust Corporation and the Dominion Bank. He was also a councillor of the Canadian Mining Institute, Vice-President British-American and Western Assurance Company; President of the Stanstead Granite Quarries Company, London Electric Light Company, and the Canadian General Electric Company. A man of outstanding ability and energy he attained his success after a career in which many hardships were experienced and many difficulties overcome. Born near Guelph almost eighty-two years ago, the son of a farmer, he was forced to leave school when his father was accidentally killed, and from that time made his own way by dint of hard work. He clerked in a law office and in stores until he went into business for himself. Selling out, he joined Ogilvie & Co., wholesale merchants, Montreal, and it was the experience thus gained that formed the foundation for his later successful ventures in the mercantile field with the companies variously known as W. R. Brock and Brother; Wyld, Brock and Darling and W. R. Brock Company, with branches at Montreal and Calgary.

JAMES B. DUKE, the multimillionaire tobacco man and former head of the old American Tobacco Co., which was dissolved by the U. S. Supreme Court as a trust operating in violation of the Sherman anti-trust act, according to advices that have been received in Wall Street, did not subscribe a single dollar to the Liberty Loan bonds. Therein lies an interesting tale, says the *Financial World.* Mr. Duke is credited with being worth easily $40,000,000. He is a proud Southerner and high spirited. The American Tobacco Co., as it was brought together into one great unit from many rival parts, was largely the creation of his genius. He thought he was doing the American people and the tobacco trade a great service in bringing what to his mind was a demoralized and depressed business into harmonious relations and creating one big company composed of the biggest of the tobacco manufacturing companies in America. He contemplated his work with pride and delight and this was not diminished when he saw his big corporation march to financial success and develop great prosperity. With the success of Mr. Duke's creation his fortune grew and he was soon numbered among the great magnates of America. He became a power in the banking world of his home state, North Carolina, and owned bank and trust companies and built an estate in New Jersey that for luxurious appointments and palatial magnificence could not be rivaled in America. His Jersey place is still one of the show places of America. He and Thos. F. Ryan were the whole thing in American Tobacco. The anti-trust agitation developed and grew apace. Mr. Duke's tobacco trust came under fire and was sued by the Government and in due time ordered by the Supreme Court to dissolve. At the same time Mr. Duke's ire increased and in great wrath he began to transfer his interests to the British-American Tobacco Co., operating in England and on Continental Europe, and he is understood now to have not a dollar's worth of interest in the American Tobacco Co. In fact he has lived abroad the greater part of the time since the dissolution verdict was rendered. His dissatisfaction with America and American institutions must still rankle, inasmuch as he not only refused to subscribe to the Liberty Bonds, but vetoed any and every suggestion that the banking companies he controlled be permitted to do so. In some well informed quarters it is believed Mr. Duke will become a British subject.

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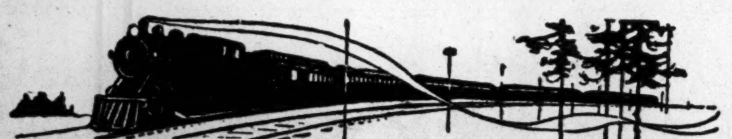

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NEWS OF THE BOND MARKETS

VICTORY LOAN TERMS SEEM VERY LIBERAL

Yields Are High and Terms of Payment Are Made Very Easy.

THE CONVERSION PRIVILEGES

Banks Will Lend Assistance to Manufacturers and Other Employers to Enable Them to Help Employees.

Terms of the Victory Loan were announced during the week. They were practically identical with the forecast published in this column last week. The issue consists of $150,000,000, 5½ per cent, gold bonds bearing interest from December 1, 1917, and offered in these maturities, the choice of which is optional with the subscriber, as follows:

5 year bonds due December 1st, 1922.
10 year bonds due December 1st, 1927.
20 year bonds due December 1st, 1937.

Denominations are $50, $100,, $500 and $1,000 and the issue price is par, free from taxes, including any income tax, imposed in pursuance of legislation enacted by the Parliament of Canada. The proceeds of the loan will be used for war purposes only and will be spent wholly in Canada. Payment will be required as follows:

10% on Dec. 1	20% on March 1.
10% on Jan. 2	20% on April 1.
20% on Feb. 1	20% on May 1.

The bonds give a net interest yield of 5.61 per cent. on the 20-year bonds; 5.68 per cent. on the 10-year bonds and 5.81% on the 5-year bonds.

Subscription may be paid in full on January 2, or on any instalment due thereafter under discount of 5½% per annum. Under this provision payments of the balance of subscriptions may be made as follows:

On Jan. 2, at rate of 89.10795 per $100.
On Feb. 1, at rate of 79.46959 per $100.
On March 1, at rate of 59.72274 per $100.
On April 1, at rate of 39.90959 per $100.

Bonds of the various maturities of the issue will, in the event of future issues of like maturity, or longer, made by the Government, other than issues made abroad, be accepted at par and acrued interest, as the equivalent of cash for the purpose of subscription to such issues.

Banking Arrangements

Very liberal terms, it is understood, are to be allowed by the chartered banks, in enabling firms and reputable individuals to subscribe to the loan. Thus, manufacturers are to be enabled by the banks to extend the payment of subscriptions over a twelve-month period, instead of the five-month period allowed by the Government. This will permit not only of their subscribing more extensively on their own account but of their carrying the subscriptions of employees as well. Special drives on factories are being arranged and manufacturers are being encouraged to assist their workpeople in the financing of bond purchases.

Registration Privilege

The Finance Minister announced on Wednesday that the registration privilege would be allowed on bonds of all denominations. In previous loans the privilege of registration was confined to loans of $1,000 and upwards, bonds of lower denominations being issued as bearer bonds with coupons attached. The new privilege means that purchases of small bonds may have them registered, receive their interest by cheque and have the bonds replaced, if lost, after proper evidence has been produced as to their disappearance.

Toronto's Organization

Toronto has been divided into five districts. In each of their districts there will be a chairman, a vice-chairman and six team captains. These thirty captains will each have a team of nine men, in addition to themselves. The chairmen, vice-chairmen and team captains for the various districts are as follows:

District "A"—Chairman, W. N. McIlwraith; vice-chairman, H. B. Housser. Team captains—C. K. Dodds, F. R. Graham, W. C. Macneill, J. A. McCausland, T. W. F. Norton, W. E. Nugent.

District "B"—Chairman, Major O. Heron; vice-chairman, Stuart B. Playfair. Team captains—J. W. Baillie, Draper Dobie, H. Acton Fleming, E. W. Pratt, Malcolm Stobie, Wm. Wallace.

District "C"—Chairman, Lieut.-Col. F. H. Deacon; vice-chairman, J. C. Fraser. Team captains—D. S. Cassels, J. T. Eastwood, R. T. Faircloth, Hugh A. Gunn, J. O. McCarthy, Morgan Jellett.

District "D"—Chairman, John A. Tory; vice-chairman, A. McKenzie. Team captains—N. S. Boyd, R. E. Campbell, Robt. Cassels, D. G. Lorsch, R. A. Lyon, A. Pardoe.

District "E"—Chairman, H. H. Williams; vice-chairman, J. Allan Ross. Team captains—R. R. Bongard, A. P. Burritt, W. A. Peacy, J. C. Taylor, H. B. Wills, C. W. I. Woodland.

At Vancouver

Great preparations are being made in Vancouver for the campaign for Canada's Victory Loan throughout the province of British Columbia. Of the total of $150,000,000, which is to be raised in the Dominion, $12,000,000 has been assigned to the west coast province. The local campaign has been organized under the chairmanship of Wm. Farrell, president of the B. C. Telephone Co. and prominent business men have been and are touring the province as volunteer organizers, all of whom have been meeting with great success. Judging by the enthusiasm already being shown in the big loan, it is thought that the committee will succeed in raising the amount apportioned to the province although there are many who think that the proportion for the coast is rather high. The following committee is co-operating with Mr. Farrell in the enterprise: W. H. Malkin, J. P. Nicholls, H. H. Watson, George Buscombe, F. W. Rounsefell, Stanley Burke and F. W. Marsh.

The Montreal Organization.

The Montreal organization for the Victory Loan campaign is now practically completed, and as the following list of officers shows, the leading business men of the province have pledged their support in the endeavor to make this loan an unparalleled success. Sir Lomer Copin and Lord Shaughnessy, the two Honorary Chairmen, have promised to address the first grand rally of the Campaign on Monday next, and J. W. McConnell, the Chairman of the Committee, for Montreal Island, is highly optimistic as to the efficiency of this great organization. The final list is as follows:

English Section.—Chairman, J.W. McConnell; vice-chairman, J. W. Ross, P. P. Cowans; general secretary, Rufus C. Holden; executive, Wm. McMaster, H. W. Beauclerk, H. R. Drummond; W. M. Birks, E. W. Beatty, K.C., Geo. H. Montgomery, K.C., W. A. Black and F. P. Jones; chairmen of committees, H. R. Drummond, finance; J. N. McKim, publicity; Principal Jas. Smyth, speakers; R. N. Watt, employers; A. J. Brown, K.C., divisional; George Montgomery, K.C., trouble committee.

French Section.—Chairman, Jos Quintal; vice-chairman, Brig.-Gen. A. E. Labelle; executive, L. G. Beaubien, C. S. Perrault, Raoul Grothe, J. A. Beaudry and F. E. Fontaine.

Under the leadership of Joseph Quintal, who is Chairman of the French-Canadian Committee in Montreal of the Victory Loan, the organization of the French section for the forthcoming campaign is proceeding very satisfactorily and twenty captains have been selected for twenty teams of canvassers.

Montreal to Have Tank.

Through the public spirited action of three of Montreal's leading citizens, Lord Shaughnessy, James Carruthers and J. W. Norcross, Montreal will have the most spectacular of all displays in Canada in connection with the Victory Loan Campaign.

Every one remembers the sensation produced on the battlefront in Flanders by the appearance of the land-battleships familiarly known as tanks. Through the efforts of Lord Shaughnessy of the C.P.R., who undertook to cover the heavy expense of transport, the British Government has agreed to send one of the "tanks" to Montreal to take part in a great parade for the Victory Loan. Owing to the urgent need of this "tank" elsewhere, its stay in this country cannot be for long, so that Montreal will be the only city in Canada to have the privilege of seeing this wonderful weapon of war. It carries six machine guns and will be manned by a crew of gunners, all of whom have seen and been wounded in actual "tank" service at the front. The "tank" will be manned and guarded night and day by its own crew, who will be assisted by a squad of C.P.R. police.

Also a Submarine.

In addition to the "tank," Montreal will also have the unique opportunity of seeing a German submarine mounted in a public square and open for inspection by those who have subscribed to a Victory Bond. The British Navy has captured so many of these German Undersea boats that it has found it possible to send one to Montreal for Public exhibition, in conection with this loan, and James Carruthers, on behalf of the Canadian Steamship Company, has agreed to cover the cost of transportation from its present port to Montreal.

The details of the great parade are not yet completed, but a very strong committee, on which Mayor Martin has agreed to, serve, is making arrangements for a spectacle which will be without parallel in the history of Montreal, indeed of Canada itself.

Stickers and Buttons

The suggestion of the Montreal Committee that every subscriber to the Victory Loan be presented with a button to wear on the street has been adopted by the Central Committee, and 300,000 will be available. This will allow for six times the number that subscribed to the last loan.

There will be 3,000,000 stickers distributed to local firms for letter heads, and in the case of retail stores,

Continued on page 14.

CHOICE OF 3 MATURITIES IS A PUZZLER

Investors in Victory Loan Provided With a Nice Conundrum.

A FEW CONSIDERATIONS

From the Pure Investment Standpoint, 20-year Bonds are Preferable, Though 5-year Bonds Possess Strong Features.

With the actual selling of Victory Bonds already commencing, a great deal of interest will doubtless centre around the question of maturities. The investing public is offered three kinds of bonds and it will be a conundrum with many people which will be the most desirable kind to purchase. Some assistance will doubtless be given by the salesmen, who are being carefully coached in selling methods, but the responsibility of choice will rest very largely with the individual.

From the mere standpoint of yield, of course, the five-year bond is decidedly the most attractive. But it must not be overlooked that the yields officially announced by the Government are dependent on two conditions,—one that the bonds be held until maturity and the other that the interest return be re-invested at at least an equally favorable rate of interest. On this basis only can the three maturities be compared with justice.

A Lower Average Yield

Assuming that the bonds are held to maturity, it is quite conceivable that the purchaser of five year bonds may, over a period of twenty years, find that the average return on his money will be much less than had he invested at the outset in twenty year bonds, yielding 5.61%. This result would be brought about by the cheapening of money, which is bound to come sooner or later. Should the rate at which the Dominion can borrow at the end of five years be less than it is to-day, (and that is within the range of possibilities), the investor in five-year bonds could not re-invest in securities of equal standing on as favorable terms. For the balance of twenty years his return would be less and the average yield over the twenty-year period would be under the advertised yield of 5.81%.

There is naturally a chance that at the end of five years money may still be as tight, if not tighter, than it is to-day, in which case re-investment on favorable terms would be possible. This would make the five-year bond unquestionably the most desirable. but it is a chance, and the average investor doesn't want to take a chance. He has within his grasp a twenty-year investment, yielding the remarkably high rate of 5.61%, with a prospect of a very considerable enlargement of the principal. He is assured of the high yield over the long term and takes no chances over possible re-investment during the interval.

20-Year Bonds Preferable.

As a pure investment, therefore, setting aside all considerations of sale or conversion, the twenty-year bond appears to offer the greatest advantage and it is true that shrewd, long-headed investors, who realize that long-term securities, with high yields, can only be bought in times of financial crisis, will be subscribing to the new 1937 bonds in large numbers.

Throughout the foregoing, the question of conversion has not been touched. That introduces another factor, which should not be overlooked. Were the present Victory Loan to be the last war loan floated in Canada and were the country to proceed in future to meet its war expenditures out of taxes, war bonds would quickly go to a premium, for they would be widely sought by investors. In that case there would be little doubt about the relative merits of a five and twenty-year bond. But the prospect of another war loan is so certain, that its flotation must be taken into account.

5-Year or 10-Year

Assuming that an investor in the present loan intends to take advantage of the conversion privilege attaching to the bonds, should such conversion work out to his advantage, would he be better advised to buy five-year bonds, or would he do better to invest in twenty-year bonds? So far as the return on his money is concerned from date of investment to date of conversion, there will be no difference. He will get as much out of one as out of the other. The difference will only be felt when it comes to the actual conversion. The holder of five-year bonds may convert into any new issue of five years and upwards, but the holder of twenty-year bonds can only convert into bonds of twenty years and upwards. The five-year bondholder accordingly possesses a distinct advantage in this respect, since his powers of conversion are virtually unlimited whereas the twenty-year bondholder has his rights circumscribed.

Broadly speaking therefore the five-year bond is the more desirable, when it is assumed that there will be another loan, but even here a strong element of chance again enters into one's computations. If the next loan offers a similar choice of maturities, the same difficulty will arise, for the investor will be uncertain whether he should renew in the short-term maturity or safeguard himself in the long-term maturity. This uncertainty will continue, until at last the interest rate drops. In the meantime the holder of the twenty-year bonds is playing a safer game. His only uncertainty is as to whether there will be a new twenty-year bond for him to convert into. On this point, he should feel reassured, for of what value is a conversion privilege unless there is a means of exercising it? On both counts, therefore, from the strictly investment standpoint, the twenty-year bond is preferable.

The Government's Position.

What does the Government want? Does it care which maturity is in greatest demand? Apparently not, or it would not have consented to the variety of offerings. The government wants the money,—that is the main point,—and whether it will be called upon to repay it in five, ten or twenty years is a secondary consideration. On general principles it might be assumed that the authorities would prefer to have the money loaned to them for the longest period.

The bulk of the money put into the loan will probably go into the five-year bonds. The big institutional investors will undoubtedly favor this maturity, not alone for the greater latitude in conversion, but for the prospect of higher yield. There will in addition be a great many five-year bonds sold to small investors, who will look for the earliest possible return of their money. The manufacturers, it is understood, are recommending the short-term bond to their employees and all circulars and forms are going out with this maturity inscribed on them. It remains therefore for a middle class of bond buyers to patronize the ten and twenty-year maturities.

As to the conversion of previous loans, there will be no choice for holders of second and third loan bonds. If they convert at all,—and they will be well advised to do so,—it must be into the twenty-year kind First loan bondholders, on the other hand, can change their bonds into any of the three maturities. They are accordingly in practically the same position as new investors and should be guided by the same considerations as have been set forth in the foregoing.

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Reserve	685,902.02
Assets	7,426,971.18

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Paid-up Capital	$ 6,000,000.00
Reserve Fund (earned)	5,000,000.00
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For sums of one hundred dollars and upwards we issue Debentures bearing a special rate of interest, for which coupons payable half-yearly are attached. They may be made payable in one or more years, as desired. They are a Legal Investment for Trust Funds.
We shall be pleased to forward a specimen Debenture, Copy of Annual Report and full information to any address we receive.

FIELD OF MUNICIPAL FINANCE

TOOTH AND NAIL AGAINST UNION WITH MONTREAL

Mayors of Westmount and Outremont Alarmed at Proposal.

PREMIUM ON RECKLESSNESS

They Express No Admiration for Financial Methods of Montreal or Maisonneuve—Appeals to Sir Lomer Gouin.

Considerable apprehension, as well as indignation, is felt by the municipalities of Westmount, Outremont, and Verdun at the movement that is under way for compelling them to unite with Montreal and Maisonneuve as a Greater Montreal, in an effort to "clean up" the complex municipal situation on the Island of Montreal. Much has been said in regard to the financial position of Montreal, and proposals have been laid before the Premier of Quebec, Sir Lomer Gouin, that suggest the government of the city by a commission. In many quarters so little faith is felt in the result of a continuation of the local elective system that determines the Board of Control and the Aldermen, that the Premier has been urged by the Board of Trade and a number of other bodies to remove the selection from the hands of the people and appoint the members himself. To appease the clamor against what is termed an abdication of their rights by the citizens, another proposal is that the leading bodies of the city should choose representative men, and that these should go before the electors. Still a third proposal is that a governing body should be chosen to consist of the heads of banks, railways, etc., and that these should appoint a body of three men to administer the city. The Premier admits a difficulty in threading the maze of all the plans that have been laid before him, but diplomatically refuses to indicate any preference beforehand.

Outcry Raised.

From the city proper the suggestion of a commission spread to the whole island, but at once an outcry was raised on behalf of the three municipalities that are admitted to have governed their affairs with a large measure of efficiency, and an absence of annual deficits, and a retention of good credit at the bank. The general averaging up would be at the expense of the well conducted cities; it would be robbing Westmount and the other two to pay Montreal and Maisonneuve.

Westmount at least of the three has approached the Premier officially in protest. Outremont, if need be, Mayor Beaubien told THE FINANCIAL POST, would come down "in a body,"—men, women and children—to fight what he termed was an "outrage." The views of both Mayors are presented in order that the standpoint of the citizens of these municipalities may be understood.

Westmount's Position

John McKergow, Mayor of Westmount, stated that the citizens were "absolutely opposed to the proposition, and it would be an outrage to attempt it." Nor did he think that any Government would permit it.

"Westmount occupies the strongest position in its finances of any town, probably, in Canada. The sinking fund is 100 per cent. of the Government requirements, and it is handled by a separate board of commissioners and cannot be used for any other purposes."

The Mayor added that the town had no deficits, and had not borrowed from the banks since the war started. The tax rate is 15 mills, the general rate being 10 mills, and the population runs between 18,000 and 19,000, being lower through enlistments than before the war.

"Some people in Montreal and Maisonneuve would like to take us in to help them out with their finances, but the very talk of such a step tends to depreciate property in Westmount. The people are a unit against it."

The Mayor of Outremont.

"I don't think that the Government would want to put a premium on the way some municipalities have been run," said Mayor Beaubien of Outremont. "It would encourage municipalities like Maisonneuve piling up a tremendous debt and getting other places that had received value for their money to help them pay for their extravagance. The whole city of Outremont would fight this proposal tooth and nail."

A short time ago the City Council of Montreal expressed some concern at an offer of Maisonneuve to guarantee the bonds of industries that would locate there, on the ground that the liability for this would fall on the larger city in the main, in the event of annexation. An attempt to defeat the scheme in the courts however failed.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

BY-LAWS PASSED OR DEFEATED.

Owen Sound.—$5,000 to British Red Cross and $1,000 to Navy League of Canada, passed by council, October 25, the money to be raised by issue of debentures.

Grantham Township.—$17,500 to buy a school site and erect thereon a schoolhouse for No. 7 School Section, passed by council, October 25, debentures to be 6 per cent., 15-instalments.

Mimico.—$6,000 hydro-electric debentures authorized for sale by council on November 5.

BY-LAWS TO BE VOTED ON.

Nov. 26, Whitby, Ont.—$25,000 by way of loan to the United Rubber Manufacturing and Reclaiming Company, on ratification of an agreement between the company and the town, debentures at 6 per cent. to be repayable in twenty equal annual instalments.

Nov. —, Georgetown, Ont.—$10,000 guarantee of bonds of Isaac Stewart and Leon Cook, who propose to establish a needle factory.

DEBENTURE NOTES.

Lethbridge, Alta.—At a special meeting of the city council on October 27, it was decided to apply to the Board of Utilities of the Province for permission to issue $63,000 debentures, covering a six-year period for the purpose of installing a new turbo-generator at the power station. The bonds may be floated locally as it is felt that many farmers are looking for a safe investment and a six-year bond which will pay from 6½ to 7 per cent.

Marmora, Ont.—At the next session of Legislature application will be made for a special act to empower the corporation to pass a by-law to consolidate certain outstanding debentures, the floating debt of the municipality amounting to $2,500 and the patriotic fund and to issue debentures for a sum not exceeding $28,000, payable in thirty years to retire the present debentures, pay off the floating debt and create a patriotic fund.

BRITISH COLUMBIA.

The following certificates were issued by the Municipal Department of the province of British Columbia on October 23:—

Nanaimo.—By-law 299, real property purchase, $6,000, 10 years, six per cent.

Victoria.—By-laws 1947, 1948, 1959 and 1974, local improvement paving, one to ten years, 4½ per cent., and by-law 1975, consolidating the foregoing into one sum of $31,290.63, one to ten years, interest increased to 5 per cent., payable half-yearly.

SASKATCHEWAN.

The following is a list of debenture authorizations granted by the Local Government Board during the week Oct. 22nd to 26th:—

School Districts—*Haverhill, $400; *Claudia, $1,200; Kingsley, $1,600; *St. Jean Baptiste (R.C.P.S.D.), $1,000; Hilton, $1,800; *Mackay Creek, $400.

*Being sold through the Local Government Board.

Rural Telephone Companies.—Lockwood, $1,500; Viscount, $27,600; Alida, $3,800; Bredenbury Northern, $2,100; Balgonie, $4,800; Tadmore, $11,400; Kaiser, $1,000; Wurtzburg, $6,500; Speers, $2,000; Anglia, $11,500.

Village.—Hawarden, $3,000, 15-yr., instalment not exceeding 8 per cent.

The following is a list of debentures reported sold by the Local Government Board during the week Oct. 22nd to 26th.

School Districts.—Webster, $1,600 Goldman & Co., Regina; Cornwall, $2,500, Great West Life Assurance Co., Winnipeg; Windcrest, $2,200, Great West Life Assurance Co., Winnipeg; Ballymena, $2,000, Canada Landed & National Investment Co.; Victoria Plains, $1,000, Canana Landed & National Investment Co.; Sunny Corner, $2,500, Canada Landed & National Investment Co.; Clear Ridge, $2,000; S. J. Norrish, Spring Hill.

Rural Telephone Companies.—Beatty, $4,800, Wm. Trevethick; Golden Brae, $13,900, Pirt & Pirt, Regina; Pelican, $2,500, Nay & James; South Webb, $8,100, W. L. McKinnon & Co.; Elrose, $11,300, W. L. McKinnon; Bridge Creek, $6,300, T. R. Billett & Co., Winnipeg; Yeomans, $12,400, City of Weyburn Sinking Funds; Goodwater, $2,700, City of Weyburn Sinking Funds; City of Swift Current, $30,000, City of Swift Current Sinking Funds.

BOND SALES.

$4,000 Dominion Coal at 84¾; $7,000 Montreal Trams. debs. at 72¾; $500 Penmans at 87½; $4,000 Steel of Canada at 90; $100 Wayagamack at 80; $46,500 War Loan (1925) at 96¾ to 95⅞; $143,500 War Loan (1931) at 96 to 95½; $249,800 War Loan (1937) at 94⅝ to 94¼.

VANCOUVER IN QUANDARY OVER ARREARS

By End of Year These Will Exceed Five Million Dollars.

TAX SALE IS ADVOCATED

Early Next Year a Further Loan Against Taxes Will Have To Be Made To Meet Expenses.

For several weeks past, those responsible for the financing of the city of Vancouver have done a great deal of figuring in order to provide for bond interest as it becomes due, in addition to running expenses. Chairman Kirk, of the finance committee, a short time ago introduced a motion in council calling for a tax sale as a means of getting over the difficulty. This however was rejected by the majority of the aldermen on the ground that the sale would create a bad impression on the outside financial world, most of the council feeling that other means could be found to provide the necessary moneys.

By the end of the current year Vancouver's tax arrears will amount to over $5,000,000 as contrasted with $1,664,000 three years ago. In order to meet the unusual conditions which have obtained, the city has been obliged to borrow during the past three years a sum of $4,200,000 against the arrears of taxes. By the first of January sums aggregating $1,432,000 will have been repaid on these loans or will be in hand for repayment. In view of the fact that only about one-third of the annual arrears of taxes are paid each year, Chairman Kirk is unable at present to find out just how the city will be able to finance unless a tax sale is held. Early next year a further loan against taxes will have to be made, which will make a situation somewhat similar to that which is existing to-day, with no hope of alleviation.

After asserting at a council meeting last week that the tax arrears from year to year were owing on the same properties, he said: "The present council can and should arrange a tax sale in January before retiring and, even then, the sale could not be held before April or May. The War Relief Act would no doubt affect the sale to quite an extent, but the contracts on treasury notes must be met whether the sale is a success or not. The duty of the council is to prevent the situation from becoming more serious. Consideration is due the larger percentage of taxpayers who are paying their taxes in full each year." The question is still under advisement and will be further considered at a special meeting of the city council.

BANKS TO THE RESCUE.

Seven Montreal Banks Help Maisonneuve With Bond Interest.

After failing to float their bonds the municipality of Maisonneuve persuaded seven of the local banks to come to their rescue to save bond interest of $407,000, due in New York on Nov. 1, going by default. It had been proposed, as the treasurer explained to THE FINANCIAL POST, to provide for this interest with the proceeds of a bond issue of $700,000, bearing 6 per cent. interest, but although this has been on the market for three months, it has failed to secure an offer. An attempt will be made to float it early next year. It is understood that the banks insisted on some radical changes being made in the city's financial methods, before they came to the rescue. The allotments taken were as follows:

Banque d'Hochelaga	$87,000
Bank of Montreal	85,000
Royal Bank	85,000
Merchants Bank	50,000
Montreal C. & D. Savings	50,000
Molsons Bank	25,000
Banque Provinciale	25,000
Total	$407,000

TAXATION IN B. C.

Whole System of Province To Be Examined By An Expert.

The executive council of the provincial government of British Columbia has recommended to the lieutenant-governor the appointment of the taxation board which was promised by Premier Brewster in his budget speech early in the year. When the premier was recently in the east he engaged the services of Professor Robert M. Haig, a taxation expert, who will shortly arrive on the coast. The board, consisting of J. B. McKilligan and Ald. W. G. Cameron of Victoria, and Thos. Kidd, a farmer of Steveston, will act in conjunction with the expert. The board will investigate the entire taxation system of the province and will make its report in time for the January session of the House, with recommendations which will bring the B. C. system in line with the best-approved systems in use in other countries and provinces. The question of school taxes will also come under consideration, the fact that many of the school districts are behind in their taxes, working an obvious hardship on those which have regularly met their assessments.

The city of London has made a good record in 1917 tax collections. Out of a levy of $1,505,525, the sum of $1,280,249 had been taken in up to October 31, leaving only about 15 per cent. outstanding.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place and Purpose	Purchaser	Rate	Term	Amount	Price	Basis
Oct. 26	Saskatchewan School Districts	See list above	....	.....	$14,000	....	.....
" 26	Saskatchewan Rural Phones	See list above	7%	15-ins.	62,000	....	.....
" 26	Swift Current, city	Sinking fund	....	.....	30,000	....	.....
" 23	Alberta Rural School Districts	Manufacturers' Life Ins. Co.	7%	10-ins.	12,400	97.00	7.65%
" 23	Oyen, village, schools	Manufacturers' Life Ins. Co.	7%	20-ins.	4,000	96.75	7.43%
" 23	Gerald, S.D., Alta.	Manufacturers' Life Ins. Co.	7%	5-ins.	1,000	98.00	7.75%
" 23	Ferintosh, S.D., Alta.	Manufacturers' Life Ins. Co.	7%	10-ins.	[illegible]	97.00	[illegible]
" 23	[illegible], S.D., Alta.	Manufacturers' Life Ins. Co.	7%	15-ins.	2,000	97.00	[illegible]

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Government, Municipal and School Bonds
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Managers {E. A. Ouimet / F. Saint-Pierre}
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A NEWSPAPER DEVOTED TO MUNICIPAL BONDS
There is published in New York City a daily and weekly newspaper which has for over twenty-five years been devoted to municipal bonds. Bankers, bond dealers, investors and public officials consider it an authority in its field. Municipalities consider it the logical medium in which to announce bond offerings.
THE BOND BUYER
25 WEST BROADWAY NEW YORK, N.Y.

Escaped from Germany
AN escaped prisoner tells the story of his fearful experiences in Germany in MACLEAN'S MAGAZINE for November; and gives a vivid picture of conditions in Germany as he saw them. He got out by way of Holland after appalling perils and hardships. In Holland, he was photographed, but so altered was he that his wife quite failed to recognize him in this photograph. Read this story of this Canadian soldier's escape. It is gripping stuff—a rare tale.

Canadian Finances After the War
Will business in Canada collapse when peace comes? It may. What do the big men say? What do they know? What do you think? Are your opinions well informed? The subject is of the greatest possible importance, and you will get light and leading by reading the contribution of Col. John Bayne Maclean, who has taken the trouble to get the opinion of the biggest and most highly placed men in Canada to help him prepare his article.

Back From the Arctic
William Thompson, representing the American Geographical Society, was this year in the Arctic Regions. He went to the delta of the Mackenzie River and took many excellent pictures of the country and its Eskimo inhabitants. He makes the November MACLEAN'S the vehicle of many of his pictures and for an account of his journey. Read what this Arctic scientist has to tell us about a remote part of our land.

Slackers and Conscription
What is your attitude towards the draft? You have positive opinions, of course. How do they square with Miss Laut's as they are expressed in her ringing article on Slackers in the November MACLEAN'S.

The Nation's Business
This is a new feature—a fearless, well-informed survey of national affairs. What we all want is an outspoken—but not vindictive—and clear-visioned presentation of factors and facts affecting our national, political and economic welfare.

Sketches of Trench Life
By Gunner McRitchie
McRitchie was a cartoonist on a Western Canada daily before he went overseas. He has done a number of sketches of trench life "On the Spot," and these he has sent home, for publication in MACLEAN'S MAGAZINE. They're interesting and good.

The Late Sir Mortimer Clark
Before he died, a few weeks ago, the late Sir Mortimer Clark, eminent jurist and an ex-Lieutenant-Governor of Ontario, wrote for MACLEAN'S an article on "Safeguarding Your Heirs." It has to do with the functions, service and safety of Trust Companies as executors of estates. This article by a man so distinguished, so cautious, so able, and so wise a counsellor, can be of first-rate value to every man perplexed with the problem of how his estate can be safely and prudently administered after he, the testator, has passed from this life.

A Complete Novelette
By Peter B. Kyne
His story in the November MACLEAN'S is a thunderingly good story of lumbermen, and lumbering. Red blood is in this tale of business. R. M. Brinkerhoff illustrates it.

Short Story
By Ethel Watts Mumford
The writer of this short story—the first of a delightful series by this author to appear in MACLEAN'S—is very well known among short story writers. Delicate fancy, wholesomeness, freshness and finished workmanship characterize all her work.

Short Story
By W. A. Fraser
A mightily well-written story of India—the kind that we all delight in: tense, bewildering, and lots of action. Fraser never wrote a better short story than this. Ben Ward illustrates it.

Hendryx and Oppenheim
Serialists
"The Gun Brand," by Hendryx, comes to an end in the November issue. Oppenheim's greatest story, "The Pawns Count," is continued. Oppenheim's story is the biggest single feature ever secured by MACLEAN'S.

MACLEANS MAGAZINE *for November*
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SEALED TENDERS addressed to the undersigned, and endorsed "Tender for temporary pile breakwater at Port Arthur, Ont.," will be received at this office until 4 p.m., on Monday, November 26, 1917, for the construction of a temporary pile protection breakwater at Port Arthur, District of Thunder Bay and Rainy River, Ontario.
Plans and forms of contract can be seen and specification and forms of tender obtained at this Department and at the offices of the District Engineers, Equity Building, Toronto, Ont.; Sault Ste. Marie, Ont., and Port Arthur, Ont.
Persons tendering are notified that tenders will not be considered unless made on the printed forms supplied, and signed with their actual signatures, stating their occupation and places of residence. In the case of firms, the actual signature, the nature of the occupation, and the place of residence of each member of the firm must be given.
Each tender must be accompanied by an accepted cheque on a chartered bank, payable to the order of the Honourable the Minister of Public Works, equal to ten per cent. (10%) of the amount of the tender, which will be forfeited if the person tendering decline to enter into a contract when called upon to do so, or fail to complete the work contracted for. If the tender be not accepted the cheque will be returned.
The Department does not bind itself to accept the lowest or any tender.
NOTE.—Blue prints can be obtained at the Department of Public Works by depositing an accepted bank cheque for the sum of $20, made payable to the order of the Honourable the Minister of Public Works, which will be returned if the intending bidder submit a regular bid.
By order,
R. C. DESROCHERS,
Secretary.
Department of Public Works,
Ottawa, November 3, 1917.
Newspapers will not be paid for this advertisement if they insert it without authority from the Department.

LIVING UNDER THE SHADOW OF WAR

In these dark and uncertain days, only the very best judgment should be employed in selecting investments. Sobered by the lessons of the war, sensible men and women have relinquished schemes to get rich quick by means of speculative securities and they now prefer safe investments yielding moderate interest to questionable ones with high rates. Beneficiaries under insurance policies are often perplexed as to how to invest their monies safely and profitably but the continuous monthly income policy, payable in monthly instalments throughout life, and for twenty years certain, solves the problem completely. It constitutes an automatic safe investment and is issued by

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Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.
Policies issued from $500 to $5,000. For further information and literature, apply to

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W. H. HUNTER, President
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It is a pleasure for me to announce to the readers of this paper that my directors see fit to donate this space, which may help in the sale of Canada's Victory Bonds.
A. H. C. CARSON, President.

London Mutual Fire Ins. Co. of Canada
HEAD OFFICE - - TORONTO

Victory is at stake and your dollars are needed to end the struggle. Buy

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INVESTORS' INSURANCE NOTES

NO WAR BOND POLICIES TO BE ISSUED

Canadian Life Companies Not Likely to Follow British Example.

WHAT THESE POLICIES ARE

Saving To Pay Insurance Premiums Is As Beneficial for the Country as Buying War Bonds.

The question has been raised, in view of the popularizing of Canada's war loans through the flotation on broad patriotic lines of the Victory Loan issue, whether life insurance companies might not be led to consider the putting out of war bond policies, similar to those sold by the British companies. The idea, it appears, has been taken up by some Canadian companies and in one instance arrangements were actually made to issue such policies, but the Insurance Department rather disapproved of the plan and so nothing has been done.

Probably the most liberal exemplification of the plan in England is that provided by the London Life Association. This company undertakes to pay the sums assured under any of its ordinary policies wholly or in part in national war bonds and to purchase the bonds needed for the fulfilment of the contract as soon as the first premium on the policy is paid. If the policy becomes a claim by death or otherwise before the maturity of the bonds, the bonds are handed over in settlement of the policy; if on the other hand, the bonds or the stocks into which they are converted mature before the policy, then the ultimate payment of the policy will be made in cash. In any event, all the money paid by the policy-holder that is available for investment, and more besides, is placed in Government securities.

A Different Type of Policy.

The Prudential Life issues war bond policies on a different plan. Premiums are payable for five, seven or ten years, according to the choice of the assured at the time of effecting the policy; the sum assured is paid in war bonds at the end of the selected period of five, seven or ten years, or at death if previous. If death is a direct consequence of an air raid, the amount payable under a policy is doubled. The assured at the end of the period, or his heirs in the event of his previous death, can select, with some limitations, the kind of bond in which payment of the policy must be taken.

The Eagle and British Dominions and the Star, which is in process of amalgamation with the Eagle, issue similar endowment assurances for short terms, which also guarantee double payment in the event of death through air raid; there is, however, the minor difference that the policyholder must choose at the outset the particular kind of 5% war bond in which payment is to be made.

Helping the Government.

The idea back of the war loan policy is to give the insured the assurance that, in taking out insurance, he is not in any respect weakening government finances. Some people may imagine that it would be more beneficial to invest all the money they can spare in government securities, rather than pay premiums for life insurance. While this is not necessarily true, it helps to convince such people that insurance on their own lives and investment in government bonds are not incompatible, when the insurance is paid in war bonds.

As a matter of fact the maintenance of existing life insurance and the taking out of new life policies is quite as beneficial as investing direct in government securities. The essential thing is to save goods and services, in order that they may be available for the needs of the country; that the cost of the war may be kept as low as possible; that the rise in prices may be checked and that the economic burden of the war upon the country may be made as small as may be. In peace time there is always a great amount of unwise and unproductive expenditure and if we were to substitute the waste of war for the waste of peace, the burden of the war could be easily carried by the country; but, when we continue the waste of peace time, and add to it the waste of war, the burden becomes crippling and injurious to the country for many years to come.

A Patriotic Action.

When a man restricts his expenditure and applies the money so saved to the payment of premiums on a new life policy, he is most definitely helping the country by setting free for national purposes the goods and services that he would normally claim for his personal use and he is thereby fulfilling the most helpful and obvious duty demanded of civilians at the present time.

Even in war, however, the well-being of the state as a whole still depends in large measure upon the welfare of its members; if a man has others dependent upon him, it is most important that he should make provision for them in the event of his premature death. Consequently there is need for insurance protection, which government securities do not supply.

The primary purpose of setting free goods and services for the use of the country is accomplished by reducing expenditure and paying premiums for life insurance; the secondary purpose of lending money to the government is also in fact accomplished, because in these days practically all the money which life insurance companies have for investment is being applied to the purchase of government securities.

BENEFIT SOCIETIES GROW.

Report of Quebec Inspector for 1916 Has Just Been Issued.

The inspector of mutual benefit associations for the Province of Quebec has just issued his summary report of the statements of the mutual benefit and charitable associations of the province for the year ended December 31, 1916.

Provincial mutual benefit associations, numbering 97, report total assets of $8,272,804, of which $4,005,677 represents real estate or loans on real estate and $3,257,114 bonds, debentures, stocks, etc. There are 125,985 members and insurance certificates in force amount to $71,905,703. The 97 associations report a gross income of $2,466,379, of which $1,952,778 is derived from assessments and dues and $385,022 from interest and rent. Total expenditure aggregates $1,703,553, of which $1,323,316 represents benefits paid.

By far the largest of these mutual benefit associations is the Societe des Artisans Canadiens-Francais. It has 43,542 members and insurance in force of $33,080,532. Its assets aggregate $3,416,486, of which $2,261,130 is invested in stocks and bonds. Its income falls but little short of a million dollars, while it paid out half a million in benefits.

Twenty-three extra provincial mutual benefit societies operated in the province. These reported 82,233 members and insurance in force of $77,659,776. An income of $1,385,794 was derived in the province and $1,019,358 was paid out in claims. The Canadian Order of Foresters showed the largest membership. It has 22,219 members and $21,562,500 insurance on their lives. The Union St. Joseph du Canada comes second with 21,168 members and $20,406,120 insurance. The Catholic Order of Foresters is third with 20,134 members and $20,107,500 insurance.

PAY FOR INSURANCE.

Suggestion That Drafted Soldiers Pay a Small Premium.

Alderman Maguire of Toronto has suggested that each drafted soldier, belonging to Toronto, should be insured by the city on payment of a small sum annually. This would roll up into a respectable reserve fund and be an asset instead of a total liability to the city. It is on this plan that the United States Government is insuring its men. Hitherto in Toronto the city has borne the entire cost of the insurance and has paid about $2,500,000 in death claims.

NOT RESTRAINED.

Equitable Life May Proceed With Its Mutualization Plans.

The motion for an injunction against the mutualization of the Equitable Life Assurance Society, brought on behalf of minority stockholders, who objected to the price proposed to be paid by the society for the shares of T. Coleman Du Pont, as exorbitant and a waste of the company's surplus, was denied by the United States Circuit Court of Appeals on Wednesday. The three judges upheld similar action by the District Court.

Judge Ward, who wrote the opinion, held that the complainants had no interest whatever in the surplus of the company, and that if any one had a right to complain it was the participating policyholders and annuitants.

The action was instituted by the executors and trustees of the late Sir William C. Van Horne, who alleged minority stockholders were discriminated against. The price proposed to be paid for the Du Pont stock is $5,400 a share.

Owing to the large number of fire losses during the summer months the Grey & Bruce Mutual Fire Insurance Co. has been forced to make a special assessment to meet its claims.

VICTORY LOAN TERMS SEEM VERY LIBERAL

Continued from page 12

for attaching to parcels. Store windows will display 32,000 posters, and 3,000,000 slips, with crisp arguments for the loan, will be placed by employers in the envelopes of the employees. These will be printed in both French and English. Even the windshields of automobiles will not be forgotten, special stickers have been made ready for them. Across the principal streets of the city will be hung huge streamers, and others placed along the street cars. The Montreal Publicity Committee is under the chairmanship of J. N. McKim.

Doings Elsewhere.

Directors of the Huro & Erie Mortgage Corporation, London, have announced their intention of subscribing for two million dollars of Victory bonds.

Lambton County's objective is a million dollars. In Sarnia employers are giving employees a chance to invest by buying bonds and then deducting a small amount weekly from their wages until paid for.

The city council of Nelson, B.C., has decided to take $30,000 of the new Victory War Loan.

Brantford city council has agreed to several proposals of City Treasurer A. K. Bunnell in connection with the Victory Loan. $25,000 of the sinking fund will be invested. The city will take bonds up to $50 in lieu of taxes, water rates, etc., the maximum amount taken being $10,000 in any one year, and will finance the purchase of bonds by the city employees.

Kitchener's allotment is half a million dollars and its manufacturers have organized for a thorough canvass of al industries.

The Manitoba publicity committee have mailed 200,000 dodgers to 2,800 school teachers in the province. The dodgers read: "Daddy! Buy a Victory bond and help win the war."

Manitoba subscriptions are expected to reach $30,000,000. The Gilbert Plains committee aims at $200,000; Dauphin, $250,000; Portage la Prairie, $500,000.

Alberta, south of Red Deer, has been allotted $7,000,000. Of this Calgary is undertaking $2,500,000 and Lethbridge $500,000.

ALBERTA AWARDS

Several School District Issues Sold Direct to Manufacturers' Life.

The Manufacturers' Life Insurance Company were awarded the five blocks of bonds offered by the Debenture Branch, Department of Education, Edmonton, for sale by tender on October 23. Block No. 1, consisting of several rural school district issues and aggregating $12,400 of 10 years, 7 per cent bonds, was placed at 7 per cent. Block No. 2, Oyen village schol district, $4,000, 7 per cent, 20 years brought $96.75. Block No. 3, Gerald, S.D., $1,000, 5 years, 7 per cent, sold at $96.75; and Blocks Nos. 4 and 5, Ferintosh $800 and Carseland $2,000, 7 per cent, 10 years, were placed at 97.

THE U. S. MARKET

Business Was Slack in October Owing to the Liberty Loan Campaign.

Reviewing the municipal bond business in the United States for the Month of October, the Bond Buyer of New York, states that financing was reduced materially as a result of the Liberty Loan campaign. Many municipalities postponed their offerings in the interests of the government financing and dealers refrained from offering any new issues of securities to their clients so long as subscriptions to the Liberty Loan were being taken.

"While the figures show that municipalities negotiated the sale of $21,753,151 of bonds last month," says the *Bond Buyer*, "it should be pointed out, in fairness to both the municipal borrowers and the bond dealers who purchased their issues, that many of the new bonds were sold on condition that they need not be taken up until after the Liberty bond campaign.

"Prices of municipal bonds have held up during the month and, in the case of the larger city issues, have even shown slight improvement over September quotations. It is probable that a demand for securities exempt from taxation will, between now and the opening of the third Liberty Loan offering, absorb all the new bonds that must be sold without unfavorably affecting selling values."

The record of sales of long-term state and municipal bonds in the United States for October and the ten months ending October, is as follows:—

	Month of Oct.	Ten months Ending Oct. 30.
1917	$21,753,151	$424,555,868
1916	56,943,946	433,885,461
1915	27,620,698	419,411,375
1914	11,382,910	382,195,218
1913	33,772,990	327,867,224
1912	23,310,025	354,989,084
1911	25,007,037	394,284,877
1910	26,675,174	256,827,592
1909	18,640,472	288,862,442
1908	[illegible]	[illegible]

CANADIAN ORDER OF CHOSEN FRIENDS

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

Dr. J. W. Edwards, M.P. Grand Councillor.
W. F. Montague, Grand Recorder.
W. F. Campbell, Grand Organizer.
J. H. Bell, M.D., Grand Medical Ex.
HAMILTON - ONTARIO

BUY
Canadian Victory
WAR LOAN
BONDS

(This space is donated by the Western Assurance Co., Toronto.)

Chief Office for Canada, TORONTO

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

ALFRED WRIGHT, MANAGER

BUY
Canadian Victory
WAR LOAN
BONDS

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During the twenty years the Policy carries liberal loan values; and at the end of the period, if the Policyholder so desires, the contract may be surrendered, and the total cash value obtained, showing an excellent return on the outlay—while the twenty years' protection will have cost nothing.

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TORONTO

REAL ESTATE AND MORTGAGES

UPWARD TREND BY REAL ESTATE IN VICTORIA, B.C.

Increasing Population Causes Rise in Rents of Houses and Apartments.

RENTING BUSINESS BRISK

More Legitimate Residential Purchases in Last Two Months Than in Preceding Three Years, With Prices Rising.

Increasing population is reported to be causing an improvement in rents and real estate values in Victoria, B.C. The figures for school attendance in September indicate that there has been an actual and appreciable increase in the number of people living in the city. The large numbers of men employed in the shipyards are given as one reason for the growth, while there has been a steady movement of population from other parts of Vancouver Island, from British Columbia and the North-West.

The result of this influx and the general betterment of conditions in Western Canada have had their first effect on residential property, but the leaven is beginning to work into down town property as well. The low point in the chart of Victoria realty values seems to have been passed and the market is beginning to move up again.

Brisker Business.

Renting agencies in Victoria report that this fall business has been brisker than at any time since the war commenced. One of the largest firms has been compelled to increase its renting staff from one to four persons and to supply a motor car and motorcycle. Other renting firms report their business similarly affected.

The member of one firm from actual book figures on an average well-located house showed that a property that went begging for a tenant a year ago was last spring rented for $30 a month. In the summer the demands from an increasing number of potential tenants sent the price to $35 a month. A couple of weeks ago the price went to $40, with any number of potential tenants for it. The conditions underlying this specific instance are becoming common to practically all classes of residential properties.

Demand Increases Rapidly.

This increased demand for dwellings is in common with the increased demand for apartments. A year ago there were many vacant apartments in the city. During the early part of the year the better class of apartments gradually filled up. Since summer apartments have almost been at a premium, and now the condition is being reflected in the upward tendency of apartment rentals.

Following closely the strong upward tendency in the rental market comes the stimulation of the selling market. James Forman, considered one of the best posted men on real estate in Victoria, asserted positively and most emphatically that there have been more houses purchased in Victoria during the last two months than during the three previous years.

As yet there has been no striking increase in the selling prices of houses, but it seems likely that property prices will move upward closely after rents. During the last couple of months most of the residential property has been picked up at the lowest of prices, but as soon as these weak holders are eliminated from the selling market, prices as a whole must move upwards. There have been indications of late that holders of property have regained confidence and are unwilling to sacrifice. Buyers will thus be forced to pay higher prices as the snaps disappear.

Spurt in Building Permits.

This positive condition in the residential property market will be shortly reflected in vacant property as the number of available houses decreases. And with the appreciation in vacant property will come a sudden burst of strength in business property rentals and values.

That the limit is fast approaching in standard vacant houses is indicated in the trend of building permits at the City Hall. Despite the abnormally high cost of labor and building material, building returns have taken such a spurt during the last three or four months that city officials predict that the total for 1917 will exceed that of 1916, despite the fact that many of the permits last year were in connection with the inauguration of shipbuilding and other war work.

That shrewd real estate men believe that the down town property market has turned is testified by the announcement from Burdick Brothers that they will at once commence the erection of a modern store or business block on the property, 60 by 120 feet, on the south-east corner of Blanshard and Yates Streets. The firm announced that it has been induced to go ahead with the construction of this building partly because all the space has been already contracted for.

THREE LARGE CONTRACTS.

Montreal Builders Get Orders For Hospital, Schools and Factories.

Although building and real estate news has not told of many large transactions of late in Montreal, the high cost of building materials and the difficulty of getting loans for such purpose precludes that—yet during the past few days contracts have been let for some rather large buildings. Foremost among such news is the report that the firm of E. M. Cape & Company has been awarded the contract to build the new hospitals in St. Anne de Bellevue for returned convalescent soldiers. This work will call for an expenditure in the vicinity of $300,000.

Another big job on which contractors have been figuring has just been let. Alphonse Gratton of Maisonneuve has been awarded the contract to build the new Tetreault Shoe Company factory in the adjoining city. The contract price was in the vicinity of $200,000. This was one of the factories obtained by Maisonneuve through its new policy of guaranteeing the bonds of any manufacturing company which will build a factory in that city and employ its citizens.

The firm of Grothe & Pion has obtained the third big contract. The Roman Catholic School Commission of Montreal has accepted its tender of $90,000 to build two schools in Montreal North.

HALIFAX BUILDING.

A Good Deal of Work at Present in Progress in the Eastern City.

The open weather has been favorable to the continuance of building construction in Halifax. The Nova Scotia Construction Company are proceeding well with the new C. W. Outhit building, and the foundation on Upper Water Street for the A. & W. Smith building extension, through from street to street, is also being pushed. That Granville Street landmark, the Wood Bros.' building, is undergoing extensive alterations and improvements of its front on that street. Terra cotta brick piers have been erected and support a new heavy girder over the ground floor front.

Many men are still at work on the Halifax-Ottawa terminal piers, though the bulk of that work on the first unit is over.

Across the harbor the building of the Imperial Oil Company's plant, below Woodside, is being pushed and is now within measurable distance of completion.

St. John's Presbyterian Church is building a new place of worship in the northwestern part of the city, the initial portion to cost $30,000. Governor Grant last week laid the corner stone and a somewhat unusual sight at such a ceremony was the presence of a military guard of honor.

It is stated that an official announcement may be expected shortly stopping further work on Toronto harbor improvements until after the war.

DOCTOR'S ESTATE

Late Exhibition Manager Left Property of Over $22,000.

The estate left by the late Dr. J. O. Orr, former manager of the Canadian National Exhibition, Toronto, has been valued at $22,486. It is made up as follows: Equity in 83 Spadina road $3,000, 15 Beaconsfield avenue $2,400, cash $566. Dominion of Canada war loan bonds $3,900, 70 shares in the Consumers' Gas Co. $5,215, 26 Mackay Companies $2,041, 6 Imperial Bank of Canada $1,164, 30 Brazilian Traction, Light and Power Co. $1,200, and an auto valued at $2,000.

A will made December 14, 1915, disposes of the estate. His widow, Mrs. Anna Marie Orr, John G. Kent, and a son, George M. Orr, are named as executors.

ONTARIO FARM LANDS

Several Sales Take Place in the Neighborhood of Shelbourne.

John S. Wallace sold a 100-acre farm in Township of Amaranth to John Rennick for about $8,000.

John Simpson sold a 200-acre farm in the same township to Reuben West at about $11,000.

W. G. Irwin sold his 150-acre farm in Mono Township to Lester Stinson at around $5,500.

George Mills sold his 200-acre farm in Mono to Stanley Parker for $8,000.

George Wilkins, a Shelbourne, Ont., real estate man, has recently put through the following deals in farm lands: He bought the w½ lot 4, concession 6, east, Mono, from Wm. Allen for $5,500 and then sold it to Charles Crombie for $6,000, taking w½ lot 12, concession 3, west, Mono, in part payment at a valuation of $3,000. The latter farm he afterwards sold to Arthur Shirley for $3,000. Mr. Wilkins also sold the W. A. Island farm, a 200-acre property, the e½ of lots 4 and 5, concession 3, east, Mono, to Robert J. McEwen for $8,000. Mr. McEwen will get possession on March 1st.

A VALUABLE LEASE

Property at Corner of Bloor and Yonge Streets, Toronto, is Leased

A 21-year lease of property at the south-west corner of Bloor and Yonge streets, in Toronto, has been taken by Frank Stollery, who operates a haberdashery store on the corner, from the Dumfries Realty Co., Limited, owners of the property. It has a frontage of 67 feet on Yonge street, which takes in the Stollery store and stores occupied by the Hunt Candy Co. and the United Cigar Co. On Bloor street it extends to a depth of 120 feet, including a branch store of the William Davies Co. Mr. Stollery intends to erect a modern stores block at a cost of approximately $100,000, after he takes possession on January 1, 1919.

With the opening of the Bloor street viaduct, Bloor street, according to prominent citizens, will become Toronto's Broadway, and the corner of Yonge and Bloor will be the centre of the better class shopping district of the city. It is rumored that a large American company is already trying to secure one of the proposed stores for its Toronto branch.

VANCOUVER REALTY

Quite a Boom in Progress Owing to Influx of Prairie Farmers.

During the past couple of weeks, realty agents in Vancouver have experienced somewhat more of a demand upon their wares than for some weeks previously, the demand, however, being more for residential property than for vacant lands. Two reasons are given for the activity, ,the return of residents who make a practice of spending the summer at their holiday homes on tidewater and the usual influx of prairie farmers who have to come to the coast for the winter in search of a more moderate climate. The latter class as a general rule has had a good season owing to the prevailing price of wheat and accordingly are investigating Vancouver residential property with a view to buying. In many cases the house purchased is used for the winter and rented during the summer months when the prairie man returns to his farm.

From a rental standpoint, there is great activity. Only a short time ago the apartment house owners in Vancouver advanced their rates about thirty per cent. while proportionate increases have been made in houses. In the better residental districts where the demand is greatest six and seven-roomed houses are at a premium.

There is little report of any transference of business properties either in the downtown or outlying districts.

BRIDGE NOT DEAD YET

Project to Build Across Burrard Inlet Not to Be Dropped.

After three or four years of ups and downs the directors of the Burrard Inlet Tunnel & Bridge Co. have finally decided to apply to Ottawa for a renewal of the charter. A couple of weeks ago the recommendation was made that the company, which has never been enabled to make a start on the undertaking as far as actual work is concerned, go into voluntary liquidation and an adjournment was made with that end in view. However, when the directors met, Mayors Vance and McBeath, of North Vancouver and Vancouver respectively, supported the movement to ask for a renewal which was endorsed by all of the municipalities interested, with the exception of West Vancouver and Councillor Loutet of North Vancouver, who holds personal stock.

While supporting the proposal, Mayor McBeath of Vancouver said that the city was not prepared to advance any further money, but he thought that within a short time some railway company would undertake to assume and carry through the company's charter. He thought also that the writing off of such a large sum as the city had already put into the enterprise would have a bad effect upon the financial standing of the city.

Punch!

Punch!

Punch!

A Modern Dial Time Recorder

The man who punches the time clock in our Canadian Factories has a full dinner pail—he is registering the time he has sold to his Employer for good money.

Where they don't "punch the time clock," there is no full dinner pail. It is because of the credit that England gave Canada for many years past that thousands and thousands of workmen in our country have been able to sell their time to Employers of Labor. This has built up our Country, and made it what it is.

Now it's "About turn." England asks for credit from Canada and she will get it, to the limit of the resources of Canada. She will get it from Labor as well as from Capital. She will get it from the man who punches a time clock for he knows if she doesn't get it he may not be punching time clocks,—there may not be any time clocks to punch.

We are confident, that the readers of the *"Financial Post"* will drive this factor home to all their clients, who in turn will sell it to the workmen.

There are Millions of dollars worth of labor checked weekly in Canada on International Time Recorders, and we can and will loan the money back to dear old England.

We will make this Victory Loan one of the outstanding, successful features of Canada's part in this great war.

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Jones' New Accounts

JONES is a branch bank manager at M———. He has been a great success, attracting to his bank the accounts of a majority of the local all-alive retailers and manufacturers.

Let Jones tell the story of his methods himself:—

"My bank hasn't a thing to offer that the other banks cannot duplicate. What success I have had has been due, so I believe, to one thing: I have made myself intelligently familiar with my clients' businesses. When I meet Wallace, the grocer, for example, he finds me fairly well informed about his problems. I know something about the prices that he has to pay for goods; and I have even learned, with his help, a good deal about store management.

Now I am going to let you in on a little secret: *I read Wallace's business paper,* CANADIAN GROCER. So I am able to talk with Wallace *on his own ground.* Wallace warms up to me whenever we meet; and, when he had a slight excuse, he transferred his business from the ——— Bank to my bank.

In the same way, I keep myself intelligently informed about the businesses of other clients, and they find me able to talk about their business with real knowledge; and, by contrast with the managers of the two other banks, I show up very well in the matter of being interested in and knowing about the business my customers are engaged in. Naturally, I get credit for knowing more than I really do; and yet I am passably well informed on the subjects of groceries, hardware, dry goods, men's wear, books and stationery, iron and steel products, drugs, footwear, and so on.

One of my gifts is curiosity. I am a good asker of questions. I get the other man talking, and I listen. In this way I acquire an insight into the minds and problems of men, enabling me very often to prove myself of real assistance to customers and others who come to me for advice.

I may not solicit the accounts of business houses, but there is nothing unprofessional in my being interested in the other man's business. I get many chances to discuss business with the men in M——, and I deliberately plan to get the other man talking about his business. I am out to sell my bank's services, by ways that are permissible. I regard myself as a salesman as well as a banker, and I enjoy the game."

Jones could have added that among the papers he subscribes to are:

Canadian Grocer (Weekly) - - -	$3.00
Hardware and Metal (Weekly) - - -	$3.00
Dry Goods Review (Monthly) - - -	$2.00
Men's Wear Review (Monthly) - - -	$2.00
Bookseller and Stationer (Monthly) - -	$2.00

All told, these five papers cost him $12 a year. He earns this sum twice over every month on the accounts of the firms that he has drawn to his bank. Jones has passed on a secret which should be of value to many a branch bank manager.

Subscriptions to the above named publications should be addressed to

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MANY GAINS IN OUR EXPORTS TO GREAT BRITAIN

Growth in a Number of Directions Revealed by British Official Report.

GAIN ON UNITED STATES

Some Interesting Items Where This Country Advanced Upon Her Big Rival—Rubber Boots, Oatmeal, Paper, Beef, Fish.

Official figures that have been issued in detail covering the sources of import of many lines into United Kingdom show that Canadian producers have made some gratifying advances during the past year. The items where the largest relative increases are shown are in rubber boots and shoes, and rubber manufactures; carbide of calcium, copper regulus, nickel oxide, wire, wire nails, implements and tools, machine tools, glass bottles, wrapping paper, frozen beef, fresh fish, hops, and dressed flax.

Below are given a number of items in detail, showing the relative position of Canadian exports to the United Kingdom with the total and those of the United States. In a number of cases Canadian shipments have grown in comparison with those of her biggest competitor.

Raw Asbestos.

	1916	1915
Total imports	£537,496	£359,822
Canada	184,517	209,652
United States	37,251	35,897

Boots and Shoes (Rubber)

	1916	1915
Total imports	£438,431	£264,260
Canada	90,148	8,671
United States	345,163	250,076

Carbide of Calcium.

	1916	1915
Total imports	£328,724	£293,188
From Canada	63,188	24,133
From Norway	215,281	194,136

Oatmeal.

	1916	1915
Total imports	£305,316	£189,995
From Canada	169,424	42,224
From United States.	135,892	147,671

Rolled Oats.

	1916	1915
Total imports	£674,782	£683,599
From Canada	353,537	233,224
From United States .	321,035	450,375

Fresh Fish (Except Herrings).

	1916	1915
Total imports ...	£1,041,102	£1,057,137
From Netherlands	320,160	343,616
From Canada ...	142,314	76,862
From U.S.	8,956	15,735

Apples, Raw.

	1916	1915
Total imports ...	£2,741,102	£2,322,249
From Canada ...	508,790	601,079
From U.S.	769,323	235,773

Implements and Tools.

	1916	1915
Total imports	£1,093,069	£609,119
From Canada	51,221	27,977
From U.S.	993,412	530,413

Lard.

	1916	1915
Total imports ...	£6,982,985	£5,783,260
From Canada	119,755	195,490
From U.S.	6,772,996	5,499,029

Leather (Not Calfskin).

	1916	1915
Total imports ...	£7,488,860	£7,675,529
From Canada	203,447	367,678
From U.S.	4,130,373	3,810,292
From Australia ..	470,551	930,101
From India	51,343	2,328,558

Leather, Dressed, Box Calf.

	1916	1915
Total imports ...	£ 832,113	£1,056,832
From Canada ...	140,987	102,329
From U.S.	612,265	888,161

Agricultural Machinery.

	1916	1915
Total imports	£495,132	£478,720
From Canada	101,935	107,007
From United States .	296,984	261,373

Meat, Frozen, Salted, Etc.

	1916	1915
Total imports ...	£30,164,025	£31,234,316
From Canada....	925,981	898,556
From U.S.	7,057,864	5,772,815

The Argentine Republic supplies almost one-half of the total imports.

Vegetables, Canned.

	1916	1915
Total imports	£684,960	£751,010
From Canada	135,606	89,739
From Italy	367,728	299,478
From United States.	37,956	185,873

Other Lines From Canada.

	1916	1915
Wire	£174,030	£ 93,969
Copper	183,764	65,350
Wire rods	97,191	48,232
Wire nails	255,572	177,546
Zinc, crude, in cakes.	107,837	92,023
Metal, unwrought ...	248,245	686,370
Milk (condensed) ...	64,237	214,297
Linseed cake	126,482	106,744
Refined tallow	97,523	105,124
Nickel oxide.	117,185	6,059
Painters' colors and pigments	90,524	29,731
Paper (includ. board)	231,336	179,470
Seeds	57,411	29,251
Skins and furs (undressed)	99,935	35,410
Wrapping paper (only)	97,014	18,467
Wood, hewn	117,637	125,294
Hops	39,432	3,681
Glass bottles	27,534	1,565

RAILWAY SECURITIES.

Stocks of 20 American Roads Have Declined $1,000,000,000.

From the high level of prices of 1916 the value of the common and preferred stocks of twenty of the leading railroads of the United States has decreased about $998,000,000, or practically $1,000,000,000. The average high was reached about mid-November, just a year ago, and curiously enough, the low price average for the stocks of the same roads was touched this week or just about a year between the extremes of prices. The war and the enormous advance in the cost of equipment, rise in wages, car shortage and freight congestion, all operating in a period when the Interstate Commerce Commission either refused to grant any rate advances or gave grudgingly only small concessions, can be cited as responsible for this state of affairs. The effect has been cumulative and has unquestionably led to heavy liquidation of railroad securities.

GAS ENGINES FOR THE MARITIME FISHERMEN

Acadia Gas Engines Company Successful in Raising Finances for Expansion Programme.

Special to The Financial Post

HALIFAX.—The preparations for the Victory loan have been engrossing the attention of financial men, and there is little opportunity for other investments. But there is one concern in this province which has been able to dispose of an issue of its securities. The manager of the Sterling Securities, Limited, informs THE FINANCIAL POST that an issue of $75,000 ten-year 7 per cent. mortgage bonds of the Acadia Gas Engines Company, Limited, has been all disposed of. This company was organized ten years ago with a capital paid in of $12,400. Some months ago the company was reorganized with an issued capital of $150,000 common stock and $75,000 bonds, the authorized being $200,000 and $100,000 respectively. The bonds were sold at par and with no common stock bonus. The company states that earnings are ten times the amount required to pay the bond interest.

The plant is on LaHave River, in Lunenburg, and the business of the company consists principally in the manufacture of internal combustion engines for the use of fishermen, and also power winches for hoisting of sails and cargo and the heaving of anchors on schooners. Part of its organization consists of local representatives all along the seaboard of Eastern Canada, Labrador and Newfoundland, and in the latter colony it has established an office and warehouse, where is carried a complete stock of engines and accessories. Probably no part of Nova Scotia is more prosperous than Lunenburg, where this company is operating.

Speaking of the demand for these engines by the fishermen, that class have this year reaped a splendid harvest from the sea. Catches were large and prices were never so high as now.

U. S IMMIGRATION FOR WESTERN CANADA

Mr. Macarow of Merchants Bank Says Movement of Americans Has Already Commenced.

That immigration to Canada will be limited mainly to the West, and to a movement of United States farmers across the border, is the opinion of the general manager of the Merchants Bank, D. C. Macarow, as expressed in an interview with THE FINANCIAL POST, after his return from a trip to Manitoba, Alberta and Saskatchewan, the beginning of an annual tour that Mr. Macarow proposes to take in the future. This was his first visit West since his appointment last year.

"Immigrants of a fine type are beginning to trickle in again, and the movement has already reached substantial proportions," he said. "The entrance of the United States into the war has broken down the sentimental barrier that existed before, and the confraternity that has been established will undoubtedly have a marked effect upon the movement into Canada. The men who are coming over are the highest class of settler. I was impressed very favorably with the fact that these new settlers, as well as many of the older ones were giving attention to the development of the livestock industry, and the Government is extending them every facility to do so. Other than this I see no indications of an emigrant movement to Canada for some time.

"Speaking generally, there is a feeling of optimism prevalent in the West that is resting upon a solid basis of real development along permanent lines. The farmers are realizing that an enduring progress can come only through a combination of thrift, conservation and hard work, in distinction to the feverish inflation that culminated with the collapse of 1913.

Preparing For Big Crops.

"In preparation for next year there has been a tremendous amount of new land that has been summer fallowed, and large quantities of new land broken, which should insure a belief in good crops for next year. In that respect the position this year is almost analagous with that of 1914, which foreshadowed the record crop of 1915."

CANADIANS IN ENGLAND ARE FORMING ASSN.

Organizing to Further the Interests of the Dominion.

MUCH CAN BE DONE

Members May Be in Position to Offset Influences Impairing Credit With Investors—Relations Important at This Time.

An organization which should be able to do much in the way of maintaining close and cordial relations between Canada and Great Britain in a financial and business way has recently been formed in London, having for its membership residents of the United Kingdom who were born in Canada or who have predominant interests in this country. Founded at a time when important considerations in relation to the Dominion's future may depend upon the attitude taken in this unsettled period, the association's activities may be of great consequence to the future welfare of this country. Unfavorable opinions which investors are no doubt forming as the result of such treatment as is being meted out by near-sighted politicians to the shareholders of the private power corporations in Ontario and the Grand Trunk Railway must be offset so far as possible. Also it is of importance that there should be created in the Old Country at this time a practical understanding of those economic conditions upon which tariff relations with the United Kingdom, the other Dominions, and the Allied nations should be based.

It can, therefore, readily be seen that there is wide scope for the activities of such organization and the interests of its members in Canada's material welfare should insure that there will be practical results at a time when there is a great need for full and broad understanding of mutual needs.

The membership will consist principally of men with a living experience both in Canada and the Motherland, whose views may be helpful to those at the head of affairs; but it was decided that such an organization should disavow any intention whatever of usurping the functions of any existing authority dealing with Canadian affairs, the desire being rather to supplement and support all efforts now being made. Non-political in character, the association proposes to serve the best interests of Canada in every way possible and not to take any action on official or public questions without first consulting with the High Commissioner.

The constitution provides that any resident of the United Kingdom who was born in Canada or whose predominant interests are Canadian shall be eligible for election as an ordinary member and that any resident of the United Kingdom with investments, business or social interests in Canada, or who has resided in the Dominion will be eligible for election as an associate member.

The Duke of Connaught has accepted the invitation to become honorary president with Sir George Perley as vice-president. Following are members of the executive committee: Lieut.-Colonel Sir H. Montagu Allan, C.V.O. (of Allan Steamship Line), Hugh Andrew Allan, Lieut.-Colonel Donald Armour, F. W. Ashe (London manager Union Bank of Canada), Lord Beaverbrook, Major Claude C. Bryan (Assistant Red Cross Commissioner for Canada), Lieut.-Colonel G. McL. Brown (European manager Canadian Pacific Railway), C. Cambie (London manager Canadian Bank of Commerce), G. C. Cassels (London manager Bank of Montreal), J. H. Dunn (of Dunn, Fischer and Company), J. Mackay Edgar (of Sperling and Company), Lieut.-Colonel Sir Hamar Greenwood, Bart., M.P., J. H. Horsey (London manager, Dominion Bank of Canada), John Howard, Agent-General for Nova Scotia, Lieut.-Col. W. Grant Morden (deputy-chairman Canada Steamship Lines), F. Orr-Lewis (president Canadian Vickers, Limited), Sir William Osler, Bart., the Right Hon. Sir Gilbert Parker, Bart., M.P., Lieut.-Colonel J. P. Pelletier, Agent-General for Quebec, Lieut.-Colonel Richard Reid, Agent-General for Ontario, the Hon. Philippe Roy, T. R. Whitley (London manager Royal Bank of Canada), the Hon. J. A. Turner, Acting Agent-General for British Columbia, J. A. Reid, Agent-General for Alberta.

A "PROFITEER" OF THE LAND.

Western Grain Grower Gets Over $100 Per Acre For His Wheat.

F. W. Russell, land agent of the Canadian Pacific railway, reports that in Grainger, Alta., on 35 acres, a farmer threshed 1,760 bushels of wheat, which will return more than $100 an acre.

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